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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

YORK MSA
WILLIAMSPORT MSA
STATE COLLEGE MSA
SHARON MSA
SCRANTON - WILKES-BARRE MSA
READING MSA
PITTSBURGH PMSA
PHILADELPHIA PMSA
LANCASTER MSA
JOHNSTOWN MSA
HARRISBURG-LEBANON-CARLISLE MSA
ERIE MSA
BEAVER COUNTY PMSA
ALTOONA MSA
ALLENTOWN BETHLEHEM MSA

PENNSYLVANIA'S

LABOR FORCE

.... A Monthly Statistical Analysis

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Highlights

- **After providing an unprecedented number of summer jobs, employment in Pennsylvania, as measured by the Current Population Survey (CPS), returned to late spring levels in October.**
- **The rate of unemployment rose by 0.1 percentage point to 5.5 percent due to a decline of 108,000 in the labor force.**
- **At 5,111,200, Pennsylvania's total nonagricultural employment set a record in October. The top six months for nonagricultural employment have all occurred during the May-to-October period of 1988.**
- **Weeks claimed dropped by 23 percent from August to September. The initial claims total has not been lower since October 1969.**
- **Unemployment rates in most areas returned to expected levels in September, following unusually low rates that were reported for August.**

October 1988 DATA

ISSUED: November 1988

LABOR
MARKET
INFORMATION

Commonwealth of Pennsylvania
Robert P. Casey, Governor
Department of Labor and Industry
Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

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CURRENT LABOR FORCE SITUATION

EMPLOYMENT RECEDES TO LATE SPRING LEVELS

Pennsylvania's labor force settled back in October. After providing an unprecedented number of temporary summer jobs, statewide employment receded back toward late spring levels.

Data made available today through the Current Population Survey (CPS) of households and released by the U.S. Bureau of Labor Statistics (BLS), show October seasonally adjusted employment in Pennsylvania at 5,394,000, down 106,000 from September. This returned employment close to the level held in May, just prior to the summer bulge. Employment gains during June, July and August were more than double the normal expected increase in summer jobs, demonstrating the strength of Pennsylvania's economy and its ability to absorb workers needing jobs.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

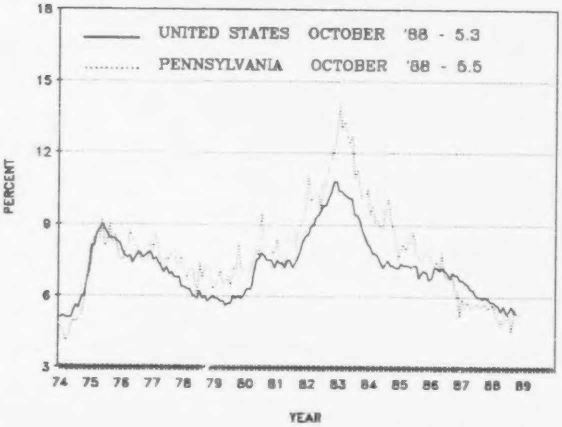

TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	OCT. 1988	SEPT. 1988	OCT. 1987	NET CHANGE FROM SEPT. 1988	NET CHANGE FROM OCT. 1987
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,707	5,815	5,734	-108	-27
Employment	5,394	5,500	5,403	-106	-9
Unemployment	313	315	331	-2	-18
Rate of Unemployment (%)	5.5	5.4	5.8	0.1	-0.3
UNADJUSTED DATA					
Civilian Labor Force	5,770	5,845	5,797	-75	-27
Employment	5,478	5,549	5,489	-71	-11
Unemployment	292	296	308	-4	-16
Rate of Unemployment (%)	5.1	5.1	5.3	0.0	-0.2

Since the October employment loss represents a voluntary exit of workers from summer jobs, unemployment in the state was not pushed higher. In fact, seasonally adjusted unemployment edged down 2,000 to a level of 313,000 in October. The seasonally adjusted rate of unemployment moved up one notch to 5.5 percent in October from 5.4 percent the prior month, reflecting the sizeable decline in employment and the labor force which is the base used in calculating the rate.

Unemployment, not adjusted for seasonality, was 292,000 in October, down 4,000 since September. The unadjusted rate of unemployment was unchanged at 5.1 percent.

Employment, not seasonally adjusted, was 5,478,000 in October, down 71,000 since September. The exit from the labor force, described above, is more apparent when comparing this 71,000 decline with preliminary results from the Pa. Dept. of Labor and Industry survey of employers which showed a 32,500 gain in October. The employer survey typically does not reflect the sizeable runup in temporary summer jobs. Instead, employer survey data have shown more subdued monthly increases, moving steadily to a new all-time high of 5,111,200 in October.

PENNSYLVANIA'S JOBS

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	OCT. 1988 AP/	SEPT. 1988 P/	AUG. 1988	SEPT. 1987	NET CHANGE TO SEPT. 1988 FROM:	
					AUG. 1988	SEPT. 1987
NONAG. WAGE AND SALARY	5,111.2	5,078.7	5,063.3	4,965.4	15.4	113.3
---MANUFACTURING INDUSTRIES	1,052.3	1,055.3	1,055.5	1,050.3	-0.2	5.0
DURABLE GOODS INDUSTRIES	601.9	6,02.8	6,02.8	5,95.7	0.0	7.1
LUMBER AND WOOD PRODUCTS		31.6	32.0	30.7	-0.4	0.9
FURNITURE AND FIXTURES		21.7	21.6	21.9	0.1	-0.2
STONE, CLAY, AND GLASS PRODUCTS		48.5	48.9	47.8	-0.4	0.7
PRIMARY METAL INDUSTRIES		93.0	93.2	89.4	-0.2	3.6
FABRICATED METAL PRODUCTS		93.2	93.2	93.1	0.0	0.1
MACHINERY, EXCEPT ELECTRICAL		109.1	108.4	104.4	0.7	4.7
ELECTRIC & ELECTRONIC EQUIPMENT		92.3	92.0	92.4	0.3	-0.1
TRANSPORTATION EQUIPMENT		59.3	58.9	61.1	0.4	-1.8
INSTRUMENTS AND RELATED PRODUCTS		33.8	34.1	34.3	-0.3	-0.5
MISCELLANEOUS MANUFACTURES		20.3	20.5	20.6	-0.2	-0.3
NONDURABLE GOODS INDUSTRIES	450.4	452.5	452.7	454.6	-0.2	-2.1
FOOD AND KINDRED PRODUCTS		92.5	92.1	92.7	0.4	-0.2
TOBACCO MANUFACTURES		1.3	1.2	1.3	0.1	0.0
TEXTILE MILL PRODUCTS		30.7	30.7	31.6	0.0	-0.9
APPAREL AND OTHER TEXTILE PRODS.		82.4	81.8	85.6	0.6	-3.2
PAPER AND ALLIED PRODUCTS		41.1	41.5	41.4	-0.4	-0.3
PRINTING AND PUBLISHING		81.4	81.7	81.1	-0.3	0.3
CHEMICALS AND ALLIED PRODUCTS		60.7	61.0	59.2	-0.3	1.5
PETROLEUM AND COAL PRODUCTS		10.4	10.6	10.7	-0.2	-0.3
RUBBER AND PLASTICS PRODUCTS		42.1	42.1	40.6	0.0	1.5
LEATHER AND LEATHER PRODUCTS		9.9	10.0	10.4	-0.1	-0.5
---NONMANUFACTURING INDUSTRIES	4,057.5	4,020.1	4,006.7	3,912.1	13.4	108.0
MINING	29.5	29.9	29.8	31.3	0.1	-1.4
CONTRACT CONSTRUCTION	255.7	257.5	259.4	243.6	-1.9	13.9
TRANSPORTATION	142.8	141.3	135.6	142.2	5.7	-0.9
PUBLIC UTILITIES	104.8	104.9	106.3	104.7	-1.4	0.2
COMMUNICATIONS		49.7	50.2	49.9	-0.5	-0.2
ELECTRIC, GAS AND SANITARY		55.2	56.1	54.8	-0.9	0.4
WHOLESALE TRADE	271.2	269.8	270.2	266.3	-0.4	3.5
RETAIL TRADE	890.0	881.5	878.7	869.6	2.8	11.9
GENERAL MERCHANDISE STORES		122.5	121.8	124.6	0.7	-2.1
FINANCE, INSURANCE AND REAL ESTATE	298.5	299.1	301.6	293.5	-2.5	5.6
BANKING		87.9	88.9	88.2	-1.0	-0.3
INSURANCE CARRIERS		89.7	89.6	85.8	0.1	3.9
SERVICES	1,365.9	1,356.5	1,355.6	1,290.1	0.9	66.4
BUSINESS SERVICES		241.7	241.7	224.0	0.0	17.7
HEALTH SERVICES		436.7	437.0	420.3	-0.3	16.4
--HOSPITALS		238.8	238.8	231.4	0.0	7.4
LEGAL SERVICES		36.7	38.0	36.4	-1.3	0.3
EDUCATIONAL SERVICES		145.6	130.8	138.7	14.8	6.9
SOCIAL SERVICES		87.8	87.7	81.4	0.1	6.4
MISCELLANEOUS SERVICES		66.1	66.2	61.5	-0.1	4.6
OTHER SERVICES		341.9	354.2	327.8	-12.3	14.1
GOVERNMENT	699.1	679.6	669.5	670.8	10.1	8.8
FEDERAL		142.8	143.2	142.0	-0.4	0.8
STATE		150.4	141.3	147.3	9.1	3.1
LOCAL		386.4	385.0	381.5	1.4	4.9
---PERSONS IN LABOR-MGMT. DISPUTES	1.4	3.3	1.1	3.0	2.2	0.3

AP/ = **Advanced preliminary, based on early survey returns.**

P/ = **Preliminary data.**

EMPLOYMENT RECORD SET AGAIN IN OCTOBER

Pennsylvania's total nonagricultural establishment employment exceeded seasonal expectations by adding 32,500 jobs over the month to achieve yet another all-time high. At 5,111,200, employment was up 103,100 over a year ago. Employment as measured by the survey of businesses has maintained a record-setting pace since May, when the previous high of 5,018,700 jobs reached in November of 1985 was exceeded. The top six months for nonagricultural employment have all occurred during the May-to-October period of 1988.

Manufacturing employment fell by 3,000 over the month with most of the loss, 2,100 jobs, occurring in the nondurable goods sector. However, the loss in manufacturing was less than expected for October. At 1,052,300, employment was down 100 from a year ago.

Jobs in nonmanufacturing increased by an impressive 37,400 over the month to set another record. With the addition of 103,700 jobs since last October, virtually all gains over the past year in nonagricultural wage and salary employment have come from this sector.

Over-the-month gains of 19,500 jobs in government and 9,400 in services were largely due to personnel at many educational facilities who returned to work after the survey week in September, being included in October totals. Employment in retail trade grew by 8,500 as retailers geared up for the holiday season. Wholesale trade, with an over-the-month addition of 1,400 jobs, set a new employment record.

EMPLOYMENT LEVELS HIGHER IN SEPTEMBER

Nonagricultural establishment jobs in Pennsylvania increased by 15,400 in September to a level 113,300 higher than a year ago. The September total of 5,078,700 was surpassed only by employment in October of this year.

Manufacturing employment, which is expected to increase in September, remained relatively stable, declining by 200 since August.

As in October, the nonmanufacturing sector was responsible for all over-the-month gains in employment. A higher-than-expected increase of 13,400 jobs was posted, which represented an expansion of 108,000 over the year. At 4,020,100 nonmanufacturing employment was at its second highest level ever, topped only by October.

The largest gainers in nonmanufacturing were educational services, with an increase of 14,800 over the month, and state government, with an addition of 9,100, as many educational employes returned to work in the fall.

The rise in educational services was offset by a 12,300 loss in other services, due primarily to seasonal downturns in the hotels and other lodging, and the amusement and recreation services sectors. As a result, services as a whole posted an over-the-month hike of only 900. However, this was enough for September employment in services to set a new record that was not outdone until October.

Most of the losses registered in contract construction; public utilities; wholesale trade; and finance, insurance and real estate were normal for September.

HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS SEPT 1988 P/	AUG 1988	SEPT 1987	AVERAGE WEEKLY HOURS SEPT 1988 P/	AUG 1988	SEPT 1987	AVERAGE HOURLY EARNINGS SEPT 1988 P/	AUG 1988	SEPT 1987
MANUFACTURING INDUSTRIES	$429.32	$419.23	$412.08	41.4	40.9	40.8	$10.37	$10.25	$10.10
DURABLE GOODS	470.64	455.10	449.28	42.4	41.6	41.6	11.10	10.94	10.80
LUMBER AND WOOD PRODUCTS	360.18	352.19	343.94	41.4	41.0	40.8	8.70	8.59	8.43
FURNITURE AND FIXTURES	374.51	368.51	352.22	41.2	40.9	40.3	9.09	9.01	8.74
STONE, CLAY, AND GLASS PRODS.	467.42	454.97	441.21	43.2	42.6	42.1	10.82	10.68	10.48
PRIMARY METALS	565.87	533.82	560.16	43.9	42.0	43.9	12.89	12.71	12.76
FABRICATED METAL PRODUCTS	459.03	446.68	441.19	42.7	42.1	41.7	10.75	10.61	10.58
NONELECTRICAL MACHINERY	487.46	473.03	460.22	43.1	42.5	42.3	11.31	11.13	10.88
ELECTRIC AND ELECTRONIC MACH.	416.36	409.05	412.70	40.7	40.3	40.7	10.23	10.15	10.14
TRANSPORTATION EQUIPMENT	548.69	528.74	477.16	42.6	41.6	39.5	12.88	12.71	12.08
INSTRUMENTS AND RELATED PROD.	433.65	422.69	414.06	41.3	40.8	41.2	10.50	10.36	10.05
MISCELLANEOUS MANUFACTURES	404.01	384.75	409.82	40.2	39.3	40.9	10.05	9.79	10.02
NONDURABLE GOODS	374.00	371.47	364.05	40.0	39.9	39.7	9.35	9.31	9.17
FOOD AND KINDRED PRODUCTS	425.15	420.85	408.18	41.6	41.3	40.9	10.22	10.19	9.98
TOBACCO PRODUCTS	255.02	260.48	249.87	41.0	40.7	41.3	6.22	6.40	6.05
TEXTILE PRODUCTS	284.98	284.53	268.73	39.2	39.3	38.5	7.27	7.24	6.98
APPAREL AND RELATED PRODUCTS	227.43	222.58	214.27	36.1	35.9	35.3	6.30	6.20	6.07
PAPER PRODUCTS	475.68	473.27	482.38	43.6	43.3	44.5	10.91	10.93	10.84
PRINTING AND PUBLISHING	438.18	439.29	435.31	40.2	40.6	39.9	10.90	10.82	10.91
CHEMICALS AND ALLIED PRODUCTS	510.87	519.87	511.70	41.5	42.3	43.0	12.31	12.29	11.90
PETROLEUM AND COAL PRODUCTS	582.96	570.99	575.03	42.0	41.8	42.5	13.88	13.66	13.53
RUBBER AND PLASTICS PRODUCTS	382.47	372.94	380.80	41.8	41.3	41.8	9.15	9.03	9.11
LEATHER PRODUCTS	233.21	228.69	233.47	36.9	36.3	38.4	6.32	6.30	6.08
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	437.10	445.66	406.91	36.7	37.2	35.2	11.91	11.98	11.56
BIT. COAL & LIGNITE MINING	662.23	644.91	630.17	42.1	41.5	41.0	15.73	15.54	15.37
COMMUNICATIONS	544.40	551.75	557.19	40.0	40.6	41.0	13.61	13.59	13.59
ELECTRIC, GAS, & SANITARY	661.52	648.37	659.43	42.9	42.6	43.1	15.42	15.22	15.30
GENERAL MERCHANDISE STORES	187.33	181.04	197.78	28.6	28.6	31.0	6.55	6.33	6.38

P/ Preliminary data.

RISE IN AVERAGE HOURLY EARNINGS AND WEEKLY HOURS WORKED

Hourly earnings of Pennsylvania's manufacturing workers rose by $.12 to $10.37 in September. This increase, along with an expansion of 0.5 hours in average weekly hours worked, gave workers an average increase of $10.09 in their weekly paychecks.

The largest hourly increase was in miscellaneous manufactures (+$.26) followed by petroleum and coal products (+$.22) in the nondurable goods sector. Nonmanufacturing workers in general merchandise stores also incurred a $.22 per hour increase.

Primary metals, within the durable goods sector, displayed the largest increase in average weekly earnings (+$32.05), due to increases in hourly earnings and hours worked. Transportation equipment and miscellaneous manufacturing workers saw their weekly paychecks elevated by $19.95 and $19.26 respectively.

The highest hourly earnings in September were paid to bituminous coal and lignite mining workers ($15.73) in nonmanufacturing. In manufacturing, petroleum and coal products production workers were paid the highest hourly wages ($13.88).

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	SEPTEMBER	AUGUST	SEPTEMBER	NET CHANGE FROM	
	1988	1988	1987	AUG. 88	SEPT. 87
CLAIMS ACTIVITY					
Initial Claim,065	55,407	64,065	61,714	-8,658	-6,307
Weeks Claimed	380,936	495,702	437,157	-114,766	-56,221
---Average Weekly Volume	86,576	107,761	99,354	-21,185	-12,778
Insured Unemployed Rate	1.9%	2.3%	2.2%	-0.4	-0.3
PAYMENT ACTIVITY					
First Payments	18,688	26,808	20,420	-8,120	-1,732
Final Payments	6,439	7,543	7,040	-1,104	-601
Weeks Paid	374,937	419,991	396,007	-45,054	-21,070
Net Benefit Amount	$56,123,895	$59,862,681	$56,820,071	-$3,738,786	-$696,176
Avg. Check Amount	$149.69	$142.53	$143.48	$7.16	$6.21

INSURED UNEMPLOYMENT RATE EQUALS 19-YEAR LOW

Weeks claimed plunged by 114,766 or 23 percent to 380,936 from August to September. The September total is the second lowest during the period from 1970, exceeding only the October 1987 total of 378,942. As a result, the insured unemployment rate (IUR) for September of 1.9 percent equaled the lowest rate recorded since November 1969. The IUR was holding at 2.3 percent over the previous four months. The initial claims total for September of 55,407 represents an 8,658 or 14 percent decline from a month ago and a 27,210 or 33 percent decline since July. The initial claims total has not been lower since October 1969.

The average check amount underwent a normal seasonal upswing from August to September, jumping from $142.53 to $149.69. However, an 11 percent drop in the number of weeks paid reduced the net benefit amount from August's $59.9 million to September's $56.1 million, a six percent decline. The net benefit amount for September fell below the year-ago amount by $0.7 million. Through September the net benefit amount for 1988 has totaled $655.5 million, which is $80 million below the cumulative total for the same period in 1987.

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

UNEMPLOYMENT DROPS IN TWO COUNTIES

Unemployment rates declined in two counties in Pennsylvania. Cambria County displayed a decrease of 0.9 percentage point and Columbia County had a drop of 0.1 percentage point. The remaining sixty-five counties had increases ranging from a low of 0.2 percentage point in Adams and Chester Counties to a high of 3.7 percentage points in Juniata County. Approximately half of the increases were less than 1.0 percentage point. As described on Page 7, these increases were a rebound from understated Current Population Survey (CPS) data.

Thirty counties had unemployment rates below Pennsylvania's unadjusted rate of 5.1 percent. Greene County stood alone with a double digit rate of 10.6 percent. The ten lowest ranking counties had rates above 8.0 percent.

SEPTEMBER RATE OF UNEMPLOYMENT

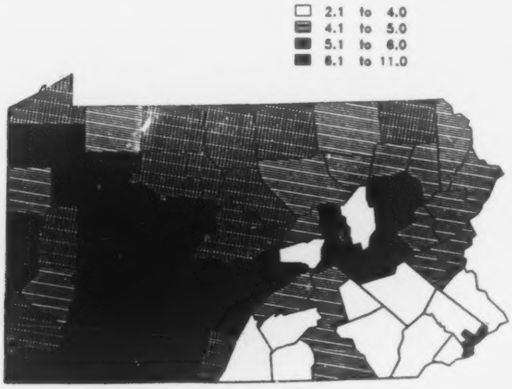

TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
SEPTEMBER - 1988

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	3.0	5700
Montgomery	2	3.2	12500
Adams	3	3.3	1300
Lancaster	4	3.4	7600
Delaware	5	3.5	10700
Bucks	6	3.6	10600
Lebanon	7	3.7	2300
Cumberland	8	3.8	4100
Columbia	9	3.9	1200
Berks	10	4.0	7200
Franklin	10	4.0	2200
Snyder	10	4.0	700
Lehigh	13	4.1	6100
Monroe	13	4.1	1800
Pike	15	4.2	500
Northampton	16	4.3	4900
Union	16	4.3	700
York	18	4.4	8000
Bradford	19	4.5	1400
Wayne	20	4.6	1000
Mercer	21	4.7	2400
Allegheny	22	4.8	30800
Dauphin	22	4.8	6400
Lackawanna	22	4.8	5200
Perry	22	4.8	1000
Warren	22	4.8	1000
Wyoming	22	4.8	600
Lycoming	28	4.9	3100
Sullivan	28	4.9	200
Carbon	30	5.0	1200
Butler	31	5.2	3700
Centre	32	5.3	3400
Fulton	32	5.3	300
Potter	32	5.3	400
Elk	35	5.5	900
Erie	36	5.7	7400
Cameron	37	5.9	200
Clinton	37	5.9	900
McKean	37	5.9	1200
Tioga	37	5.9	1100
Washington	37	5.9	5400
Susquehanna	42	6.0	1100
Lawrence	43	6.2	2800
Philadelphia	43	6.2	46400
Blair	45	6.3	3800
Schuylkill	45	6.3	4500
Cambria	47	6.5	4100
Montour	47	6.5	500
Somerset	47	6.5	2100
Venango	47	6.5	1700
Crawford	51	6.7	2800
Clarion	52	6.8	1200
Jefferson	52	6.8	1300
Luzerne	54	7.1	11600
Armstrong	55	7.4	2100
Westmoreland	56	7.5	13000
Mifflin	57	7.9	1700
Bedford	58	8.2	1900
Juniata	59	8.3	800
Northumberland	60	8.5	4200
Beaver	61	8.6	5600
Forest	62	8.7	200
Huntingdon	63	8.8	1500
Indiana	64	9.0	3200
Fayette	65	9.1	5400
Clearfield	66	9.8	3400
Greene	67	10.6	1400

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	SEPTEMBER 1988 * UNEMPLOYMENT NUMBER AND RATE%		AUGUST 1988 UNEMPLOYMENT NUMBER AND RATE%		SEPTEMBER 1987 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6,596	5.4	6,851	5.6	7,091	5.9
PENNSYLVANIA	315	5.4	260	4.5	318	5.6
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	14.8	4.6	13.4	4.1	15.5	4.8
ALTOONA	4.3	7.2	3.9	6.5	4.5	7.6
BEAVER COUNTY PMSA	5.5	8.6	5.0	7.9	6.3	10.1
ERIE MSA	8.1	6.2	7.1	5.5	9.2	7.2
HARRISBURG-LEB-CARLISLE MSA	14.4	4.5	12.6	3.9	13.6	4.3
JOHNSTOWN MSA	7.6	8.0	7.2	7.6	8.3	8.7
LANCASTER MSA	8.0	3.6	7.1	3.2	8.9	4.2
PHILADELPHIA PMSA	104.0	4.3	91.4	3.8	104.1	4.4
PITTSBURGH PMSA	56.6	5.9	49.2	5.1	61.9	6.5
READING MSA	7.8	4.4	6.9	3.9	8.3	4.8
SCRANTON--WILKES-BARRE MSA	21.7	6.1	19.9	5.6	24.3	7.0
SHARON MSA	2.7	5.3	2.6	5.1	3.1	6.3
STATE COLLEGE MSA	3.4	5.4	2.9	4.7	3.4	5.6
WILLIAMSPORT MSA	3.5	5.6	3.1	5.0	3.5	5.9
YORK MSA	9.5	4.3	8.7	4.0	9.7	4.6

* Preliminary data

SEPTEMBER UNEMPLOYMENT RATES REBOUND TO EXPECTED LEVELS

Seasonally adjusted unemployment rates rose in September in all major labor market areas after declines in August. The upturn represents a rebound from an exaggerated drop in the unemployment rate reported by the Current Population Survey (CPS) for the State, as a whole, during August.

Since the unemployment estimates for the areas are aligned with the Statewide data, unusually low rates may have resulted for the MSAs in August (this was also true for the county and Service Delivery Area unemployment rates).

Service Delivery Areas

All twenty-eight Service Delivery Areas (SDAs) showed increases in their unemployment rates. The rates ranged from a low of 3.0 percent for SDA 21 (Chester County) to a high of 8.6 percent for SDA 5 (Beaver County), as shown in Table 7.

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
SEPTEMBER 1988 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	131.1	123.6	7.4	5.7
02	Clarion, Crawford, Forest, Venango, Warren	106.5	99.8	6.7	6.3
03	City of Pittsburgh	172.8	163.9	8.9	5.1
04	Allegheny County minus City of Pittsburgh	472.5	450.5	22.0	4.6
05	Beaver	64.3	58.7	5.5	8.6
06	Armstrong, Butler, Indiana	134.2	125.2	9.0	6.7
07	Fayette, Westmoreland	232.0	213.6	18.4	7.9
08	Greene, Washington	105.0	98.2	6.9	6.5
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	103.7	96.2	7.5	7.3
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	202.0	188.2	13.7	6.8
11	Centre, Clinton, Lycoming, Mifflin	163.1	154.0	9.1	5.6
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	132.8	124.7	8.2	6.1
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	84.4	80.0	4.4	5.2
14	Lackawanna	109.5	104.3	5.2	4.8
15	Carbon, Monroe, Pike, Wayne	100.9	96.4	4.5	4.4
16	Luzerne, Schuylkill	235.0	218.9	16.1	6.9
17	Philadelphia	753.7	707.3	46.4	6.2
18	Bucks	294.4	283.9	10.5	3.6
19	Montgomery	389.8	377.2	12.5	3.2
20	Delaware	300.9	290.3	10.7	3.5
21	Chester	190.4	184.7	5.7	3.0
22	Lehigh, Northampton	263.6	252.6	11.0	4.2
23	Berks	180.3	173.1	7.2	4.0
24	Cumberland, Dauphin, Lebanon, Perry	326.0	312.1	13.8	4.2
25	Lancaster	222.1	214.5	7.6	3.4
26	York	183.0	175.0	8.0	4.4
27	Adams, Franklin	94.3	90.8	3.5	3.7
28	Lawrence, Mercer	96.4	91.2	5.2	5.4
	PENNSYLVANIA - TOTAL	5,845.0	5,549.0	296.0	5.1

A Service Delivery Area is a geographical planning region defined by the Jobs Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by number of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

YORK MSA
WILLIAMSPORT MSA
STATE COLLEGE MSA
SHARON MSA
SCRANTON -
WILKES-BARRE MSA
READING MSA
PITTSBURGH PMSA
PHILADELPHIA PMSA
LANCASTER MSA
JOHNSTOWN MSA
HARRISBURG-
LEBANON-CARLISLE
MSA
ERIE MSA
BEAVER COUNTY
PMSA
ALTOONA MSA
ALLENTOWN-
BETHLEHEM MSA

PENNSYLVANIA'S

LABOR FORCE

.... A Monthly Statistical Analysis

Highlights

- Unemployment, seasonally adjusted, fell below 5.0 percent for the third time this year to 4.6 percent in November.
- Nonagricultural wage and salary jobs set new record of 5,113,300 in October.
- Nonmanufacturing employment at new all-time high of 4,055,900 in October.
- Twenty-nine counties in Pennsylvania posted unemployment rates below 5.0 percent.
- Weeks claimed for unemployment compensation lowest since November 1969. Initial claims lowest for the month in 19 years.
- Pennsylvania's outstanding federal unemployment compensation debt fully repaid.

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November 1988 DATA ISSUED: December 1988

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis is published monthly by the Bureau of Research and Statistics. Focusing on economic information and analysis, the publication is intended for a variety of users from business leaders, government administrators and planners to the general public.

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STATEWIDE EMPLOYMENT UP IN NOVEMBER

After a lackluster performance in September and October, statewide employment jumped in November reducing unemployment to the summer low of August.

Employment moved up strongly according to two independent surveys. Based on preliminary results from our Bureau of Research and Statistics survey of employers, the number of nonagricultural wage and salary jobs in Pennsylvania expanded by 15,700 in November to a new all-time high of 5,129,000. This represents a gain of 110,300 over one year ago.

Meanwhile, data made available today through the Current Population Survey (CPS) of households and released by the Bureau of Labor Statistics (BLS) show

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

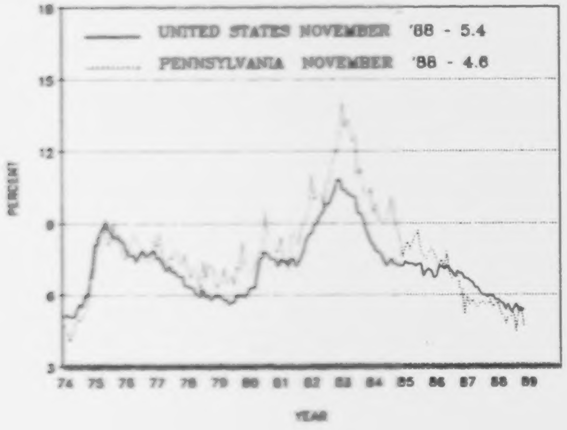


TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	NOV. 1988	OCT. 1988	NOV. 1987	NET CHANGE FROM OCT. 1988	NET CHANGE FROM NOV. 1987
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,726	5,707	5,709	19	17
Employment	5,465	5,394	5,394	71	71
Unemployment	261	313	315	-52	-54
Rate of Unemployment (%)	4.6	5.5	5.5	-0.9	-0.9
UNADJUSTED DATA					
Civilian Labor Force	5,739	5,770	5,724	-31	15
Employment	5,491	5,478	5,425	13	66
Unemployment	248	292	300	-44	-52
Rate of Unemployment (%)	4.3	5.1	5.2	-0.8	-0.9

November seasonally adjusted employment in Pennsylvania at 5,465,000, up 71,000 from October. Although November's level was not close to the record highs of the year, it was not bloated by the unprecedented number of temporary jobs that pushed employment to surprising heights during the summer. In that respect, the November employment gains are probably more permanent and beneficial to the state's economy.

The strong employment gain lowered unemployment, seasonally adjusted, to 261,000 in November, down 52,000 from October. The seasonally adjusted rate of unemployment fell 0.9 percentage point to 4.6 percent, surpassed during the current economic recovery only by August's rate of 4.5 percent. Lower rates have not been seen in Pennsylvania since April 1974 when a rate of 4.3 percent was achieved. November's rate was well below the year-earlier rate of 5.5 percent.

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	NOV. 1988 AP/	OCT. 1988 P/	SEPT. 1988	OCT. 1987	NET CHANGE TO OCT. 1988 FROM: SEPT. 1988	OCT. 1987
NONAG. WAGE AND SALARY	5129.0	5113.3	5083.0	5008.1	30.3	105.2
—MANUFACTURING INDUSTRIES	1057.3	1056.0	1056.6	1052.4	-0.6	3.6
DURABLE GOODS INDUSTRIES	605.4	604.8	604.0	598.4	0.8	6.4
LUMBER AND WOOD PRODUCTS		31.3	31.7	30.5	-0.4	0.8
FURNITURE AND FIXTURES		21.7	21.6	22.1	0.1	-0.4
STONE, CLAY, AND GLASS PRODUCTS		48.5	48.6	47.9	-0.1	0.6
PRIMARY METAL INDUSTRIES		93.3	93.0	89.5	0.3	3.8
FABRICATED METAL PRODUCTS		93.9	93.5	93.1	0.4	0.8
MACHINERY, EXCEPT ELECTRICAL		109.7	109.1	105.1	0.6	4.6
ELECTRIC & ELECTRONIC EQUIPMENT		92.6	92.5	92.3	0.1	0.3
TRANSPORTATION EQUIPMENT		59.5	59.8	62.7	-0.3	-3.2
INSTRUMENTS AND RELATED PRODUCTS		33.9	34.0	34.4	-0.1	-0.5
MISCELLANEOUS MANUFACTURES		20.4	20.2	20.8	0.2	-0.4
NONDURABLE GOODS INDUSTRIES	451.9	451.2	452.6	454.0	-1.4	-2.8
FOOD AND KINDRED PRODUCTS		92.7	92.7	93.2	0.0	-0.5
TOBACCO MANUFACTURES		1.2	1.3	1.3	-0.1	-0.1
TEXTILE MILL PRODUCTS		30.4	30.8	31.4	-0.4	-1.0
APPAREL AND OTHER TEXTILE PRODS.		81.8	82.2	85.0	-0.4	-3.2
PAPER AND ALLIED PRODUCTS		40.7	41.0	40.9	-0.3	-0.2
PRINTING AND PUBLISHING		81.6	81.3	81.3	0.3	0.3
CHEMICALS AND ALLIED PRODUCTS		60.6	60.7	59.2	-0.1	1.4
PETROLEUM AND COAL PRODUCTS		10.3	10.5	10.7	-0.2	-0.4
RUBBER AND PLASTICS PRODUCTS		42.2	42.1	40.6	0.1	1.6
LEATHER AND LEATHER PRODUCTS		9.7	10.0	10.4	-0.3	-0.7
—NONMANUFACTURING INDUSTRIES	4068.4	4055.9	4023.6	3953.8	32.3	102.1
MINING	29.4	30.1	30.1	31.1	0.0	-1.0
CONTRACT CONSTRUCTION	251.0	256.2	256.6	241.5	-0.4	14.7
TRANSPORTATION	143.9	144.7	142.4	145.0	2.3	-0.3
PUBLIC UTILITIES	104.8	104.6	104.9	104.7	-0.3	-0.1
COMMUNICATIONS		49.7	49.7	49.9	0.0	-0.2
ELECTRIC, GAS AND SANITARY		54.9	55.2	54.8	-0.3	0.1
WHOLESALE TRADE	270.3	270.1	269.7	264.6	0.4	5.5
RETAIL TRADE	900.6	885.6	879.8	876.3	5.8	9.3
GENERAL MERCHANDISE STORES		127.8	121.7	129.2	6.1	-1.4
FINANCE, INSURANCE AND REAL ESTATE	298.5	298.4	298.8	293.0	-0.4	5.4
BANKING		87.5	87.9	88.0	-0.4	-0.5
INSURANCE CARRIERS		90.1	89.4	85.9	0.7	4.2
SERVICES	1364.0	1366.2	1359.0	1300.9	7.2	65.3
BUSINESS SERVICES		242.5	241.7	223.5	0.8	19.0
HEALTH SERVICES		438.6	436.8	421.6	1.8	17.0
--HOSPITALS		240.1	238.9	232.8	1.2	7.3
LEGAL SERVICES		37.8	37.7	37.0	0.1	0.8
EDUCATIONAL SERVICES		160.8	146.2	155.0	14.6	5.8
SOCIAL SERVICES		87.9	87.7	81.9	0.2	6.0
MISCELLANEOUS SERVICES		66.5	66.2	61.7	0.3	4.8
OTHER SERVICES		332.1	342.7	320.2	-10.6	11.9
GOVERNMENT	705.9	700.0	682.3	696.7	17.7	3.3
FEDERAL		142.6	143.1	142.0	-0.5	0.6
STATE		154.9	151.0	153.1	3.9	1.8
LOCAL		402.5	388.2	401.6	14.3	0.9
—PERSONS IN LABOR-MGMT. DISPUTES	3.3	1.4	2.8	1.9	-1.4	-0.5

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

NEW EMPLOYMENT RECORD SET IN NOVEMBER

According to advanced preliminary figures, Pennsylvania's total nonagricultural establishment employment far exceeded seasonal expectations by setting a new record in November. At 5,129,000, employment was up by 15,700 over the month, and by 110,300 over a year ago.

Manufacturing employment expanded to 1,057,300 with a higher-than-expected increase of 1,300 jobs over the month. Job growth was fairly well balanced between the durable goods (+600) and nondurable goods (+700) industries. Manufacturing employment has grown by 3,800 since November a year ago.

Approximately 80 percent of the job growth in November came from the nonmanufacturing industries. With an over-the-month increase of 12,500, the November total of 4,068,400 jobs, represented another record. Over-the-year, nonmanufacturing added 105,600 new jobs.

Leading the expansion in nonmanufacturing was retail trade. With the addition of 15,000 new jobs over the month, employment reached 900,600, the highest November total on record, surpassed only by December of 1987. Also gaining in November were wholesale trade, which at 270,300 equaled the second highest employment ever; finance, insurance and real estate, which normally declines at this time of year; and government, which increased by the expected amount in November.

NONMANUFACTURING SURPASSES EXPECTATIONS IN OCTOBER

Nonmanufacturing gained 32,300 jobs during October, exceeding seasonal expectations, and reaching a new all-time high of 4,055,900 jobs.

Services, with a record level 1,366,200 jobs, posted an over-the-month gain of 7,200 jobs. This greater-than-expected increase, along with a 17,700 increase in Government employment, and increases in the trade industry were the primary contributors to the expansion in nonmanufacturing.

Declines in construction; public utilities; and finance, insurance and real estate were minimal and less than expected.

LESS THAN EXPECTED DECLINE IN MANUFACTURING

An over-the-month decline of 600 in manufacturing was significantly less than expected. The 1,400 loss in nondurable goods was partially offset by an increase of 800 jobs in the durable goods sector. Manufacturing added 3,600 new jobs since last October with a gain of 6,400 new jobs in durable goods over the year and a loss of 2,800 in nondurables. Most of the growth in manufacturing during October occurred in the machinery, except electrical and primary metal industries.

HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS
OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS OCT 1988 P/	SEPT 1988	OCT 1987	AVERAGE WEEKLY HOURS OCT 1988 P/	SEPT 1988	OCT 1987	AVERAGE HOURLY EARNINGS OCT 1988 P/	SEPT 1988	OCT 1987
MANUFACTURING INDUSTRIES	$428.69	$429.73	$412.46	41.3	41.4	41.0	$10.38	$10.38	$10.06
DURABLE GOODS	468.84	472.18	454.68	42.2	42.5	42.1	11.11	11.11	10.80
LUMBER AND WOOD PRODUCTS	344.20	353.68	358.66	39.7	40.7	41.9	8.67	8.69	8.56
FURNITURE AND FIXTURES	367.94	371.96	367.33	40.3	41.1	41.6	9.13	9.05	8.83
STONE, CLAY, AND GLASS PRODS.	469.36	467.42	444.02	43.1	43.2	42.9	10.89	10.82	10.35
PRIMARY METALS	562.02	566.28	543.56	43.5	44.0	42.8	12.92	12.87	12.70
FABRICATED METAL PRODUCTS	457.30	459.67	443.94	42.5	42.8	42.0	10.76	10.74	10.57
NONELECTRICAL MACHINERY	483.21	486.60	469.27	42.8	43.1	42.7	11.29	11.29	10.99
ELECTRIC AND ELECTRONIC MACH.	416.34	417.79	419.57	41.1	40.8	41.5	10.13	10.24	10.11
TRANSPORTATION EQUIPMENT	549.97	559.01	498.52	42.6	43.1	41.2	12.91	12.97	12.10
INSTRUMENTS AND RELATED PROD.	433.54	434.06	423.07	40.9	41.3	41.6	10.60	10.51	10.17
MISCELLANEOUS MANUFACTURES	401.17	407.43	418.42	40.4	40.5	41.8	9.93	10.06	10.01
NONDURABLE GOODS	376.54	376.14	360.48	40.1	40.1	39.7	9.39	9.38	9.08
FOOD AND KINDRED PRODUCTS	419.42	424.13	393.38	41.2	41.5	40.1	10.18	10.22	9.81
TOBACCO PRODUCTS	247.02	255.02	269.99	40.1	41.0	43.9	6.16	6.22	6.15
TEXTILE PRODUCTS	284.36	284.59	282.89	38.9	39.2	39.9	7.31	7.26	7.09
APPAREL AND RELATED PRODUCTS	231.47	228.86	217.41	36.8	36.5	35.7	6.29	6.27	6.09
PAPER PRODUCTS	483.11	483.99	465.02	43.8	43.8	43.5	11.03	11.05	10.69
PRINTING AND PUBLISHING	437.80	441.40	429.55	39.8	40.2	39.7	11.00	10.98	10.82
CHEMICALS AND ALLIED PRODUCTS	526.61	514.59	513.54	42.4	41.6	43.3	12.42	12.37	11.86
PETROLEUM AND COAL PRODUCTS	610.10	603.94	564.56	43.3	43.2	42.1	14.09	13.98	13.41
RUBBER AND PLASTICS PRODUCTS	380.45	382.05	375.84	41.9	41.8	41.9	9.08	9.14	8.97
LEATHER PRODUCTS	231.96	232.31	226.64	36.3	36.7	37.9	6.39	6.33	5.98
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	431.34	440.22	444.83	36.4	36.9	37.1	11.85	11.93	11.99
BIT. COAL & LIGNITE MINING	647.40	646.43	645.54	41.5	41.2	42.0	15.60	15.69	15.37
COMMUNICATIONS	532.12	544.40	535.31	39.3	40.0	39.8	13.54	13.61	13.45
ELECTRIC, GAS, & SANITARY	673.38	660.57	671.88	43.0	42.7	43.6	15.66	15.47	15.41
GENERAL MERCHANDISE STORES	182.92	186.30	186.91	27.8	28.4	28.8	6.58	6.56	6.49

P/ Preliminary data.

HOURLY EARNINGS REMAIN AT SEPTEMBER LEVEL

October's average hourly earnings of production workers in Pennsylvania's manufacturing industries remained at the September level of $10.38. However, the average weekly earnings declined $1.04 due to a slightly shorter workweek (-0.1 hour). Average Weekly paychecks increased $16.23 from a year ago. Within the manufacturing industries all workers had hourly raises from a year ago, except those in miscellaneous manufactures who lost $0.08 an hour. These same workers had a drop of $0.13 in their average hourly earnings from a month ago.

The highest average hourly wage was earned by workers in electric, gas and sanitary services ($15.66) followed closely by bituminous coal and lignite miners ($15.60) - both in nonmanufacturing.

The largest average workweek of 43.8 hours was recorded by workers in the paper products industry followed by those in primary metals (43.5); petroleum and coal products (43.3); and stone, clay and glass products (43.1) - all in manufacturing.

The shortest workweek was recorded in nonmanufacturing by workers in general merchandise stores. This was due to the large number of part-time workers employed in this industry.

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	OCTOBER 1988	SEPTEMBER 1988	OCTOBER 1987	NET CHANGE FROM SEPT. 88	NET CHANGE FROM OCT. 87
CLAIMS ACTIVITY					
Initial Claims	63,887	55,407	69,330	8,480	-5,443
Weeks Claimed	364,007	380,936	378,942	-16,929	-14,935
—Average Weekly Volume	86,668	86,576	86,123	92	545
Insured Unemployed Rate	1.9%	1.9%	1.9%	0.0	0.0
PAYMENT ACTIVITY					
First Payments	20,548	18,688	22,188	1,860	-1,640
Final Payments	6,276	6,439	7,263	-163	-987
Weeks Paid	312,551	374,937	363,208	-62,386	-50,657
Net Benefit Amount	$47,652,161	$56,123,895	$52,090,302	-$8,471,734	-$4,438,141
Avg. Check Amount	$152.46	$149.69	$143.42	$2.77	$9.04

UNEMPLOYMENT COMPENSATION DEBT REPAID

As of October 31, 1988, the state's outstanding federal loan totaled $197 million. This debt was fully repaid on November 9, 1988. Net reserves in the Unemployment Compensation Trust Fund remained above $1 billion in October for the third successive month. At $1.1 billion the net reserve balance at the end of October was virtually unchanged from a month ago, although disbursements from the Trust Fund did edge income by $900,000 during the month.

Total weeks claimed fell by 4 percent between September and October to 364,007. This monthly total is the lowest on record since November 1969. The insured unemployment rate for October remained at 1.9 percent, which is the year's trough. Seasonal slowdowns were largely responsible for a 15 percent rise in initial claims from September to October. However, the initial claims total of 63,887 for October was the lowest for the month in 19 years.

UNEMPLOYMENT COMPENSATION TRUST FUND - OCTOBER 1988

Income - $46,764,973
Disbursements - $47,652,858

Cash Reserves $1,284,237,827
Federal Loans $ 197,294,185

Net Reserves $1,086,943,642

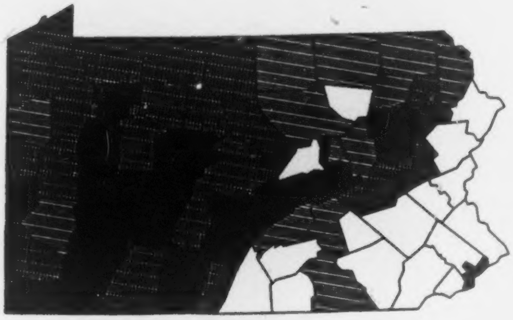
UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

TWENTY-NINE COUNTIES ARE BELOW FIVE PERCENT

The October unadjusted unemployment rates for Pennsylvania's Counties were dispersed around the State's rate of 5.1 percent. Thirty-six counties had rates higher than the state and thirty-one had lower rates. Chester County had the lowest unemployment rate (2.9) and Greene County the highest (10.6)--the same rankings as in September. Greene County again recorded the only double digit rate.

Only six counties displayed changes greater than 1.0 percentage point: Fulton (+1.3), Elk (+1.3), Snyder (+3.3), Tioga (-1.1), Montour (-1.3), and Susquehanna (-1.5).

Nearly half of the counties had unemployment rates of 5.0 percent or less; the rate considered to represent full employment by many economists. Many areas with rates below five percent have experienced labor shortages and have had difficulty in filling positions with qualified personnel.



OCTOBER RATE OF UNEMPLOYMENT

☐ 2.9 to 4.4
▨ 4.5 to 4.9
▩ 5.0 to 6.9
■ 7.0 to 10.6

TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
OCTOBER - 1988

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.9	5400
Montgomery	2	3.0	11600
Adams	3	3.5	1300
Bucks	3	3.5	10100
Delaware	3	3.5	10300
Lebanon	6	3.6	2200
Berks	7	3.7	6600
Cumberland	7	3.7	4000
Union	7	3.7	600
Pike	10	3.9	400
Monroe	11	4.0	1700
Lancaster	12	4.1	8900
Northampton	12	4.1	4600
Franklin	14	4.2	2300
Lehigh	14	4.2	6200
Sullivan	16	4.3	100
Susquehanna	17	4.6	800
York	17	4.6	8300
Allegheny	19	4.7	29800
Dauphin	19	4.7	6200
Tioga	19	4.7	900
Bradford	22	4.8	1500
Montour	22	4.8	400
Wayne	22	4.8	1000
Wyoming	22	4.8	600
Columbia	26	4.9	1500
Lycoming	26	4.9	3000
Mercer	26	4.9	2500
Perry	26	4.9	1000
Lackawanna	30	5.0	5500
Warren	30	5.0	1100
Centre	32	5.3	3400
Potter	33	5.4	400
Butler	34	5.5	3800
Carbon	34	5.5	1400
Washington	36	5.6	5100
Schuylkill	37	5.8	4200
Erie	38	6.0	7800
Philadelphia	38	6.0	44700
Lawrence	40	6.2	2700
Cameron	41	6.3	200
Clinton	41	6.3	900
Venango	43	6.6	1700
Crawford	44	6.7	2600
Jefferson	44	6.7	1300
Blair	46	6.8	4100
Elk	46	6.8	1200
Fulton	46	6.8	400
McKean	46	6.8	1400
Somerset	46	6.8	2100
Cambria	51	7.0	4400
Luzerne	52	7.1	11500
Armstrong	53	7.4	2000
Snyder	54	7.5	1400
Westmoreland	55	7.6	12900
Bedford	56	7.7	1700
Clarion	56	7.7	1400
Mifflin	58	7.8	1700
Juniata	59	7.9	800
Northumberland	59	7.9	3600
Forest	61	8.2	200
Beaver	62	8.5	5400
Huntingdon	63	8.8	1500
Fayette	64	9.1	5300
Indiana	65	9.5	3300
Clearfield	66	9.8	3300
Greene	67	10.6	1400

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA

(Seasonally adjusted, number in thousands)

AREA	OCTOBER 1988 * UNEMPLOYMENT NUMBER AND RATE%		SEPTEMBER 1988 UNEMPLOYMENT NUMBER AND RATE%		OCTOBER 1987 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6491	5.3	6596	5.4	7177	6.0
PENNSYLVANIA	313	5.5	315	5.4	331	5.8
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	14.8	4.6	14.8	4.6	16.5	5.1
ALTOONA	4.4	7.3	4.3	7.2	4.5	7.6
BEAVER COUNTY PMSA	5.2	8.4	5.5	8.6	6.3	10.0
ERIE MSA	8.5	6.6	8.1	6.2	9.3	7.2
HARRISBURG-LEB-CARLISLE MSA	14.5	4.6	14.4	4.5	13.2	4.2
JOHNSTOWN MSA	7.7	8.2	7.6	8.0	8.6	9.0
LANCASTER MSA	8.7	4.0	8.0	3.6	9.3	4.3
PHILADELPHIA PMSA	102.7	4.3	104.0	4.3	107.8	4.4
PITTSBURGH PMSA	56.9	6.0	56.6	5.9	63.3	6.6
READING MSA	7.8	4.4	7.8	4.4	8.4	4.8
SCRANTON--WILKES-BARRE MSA	22.3	6.3	21.7	6.1	25.0	7.1
SHARON MSA	2.7	5.3	2.7	5.3	3.2	6.4
STATE COLLEGE MSA	3.3	5.3	3.4	5.4	3.4	5.6
WILLIAMSPORT MSA	3.4	5.6	3.5	5.6	3.6	6.0
YORK MSA	10.2	4.7	9.5	4.3	10.4	4.9

* Preliminary data

UNEMPLOYMENT RATES REMAIN STABLE

Seasonally adjusted unemployment rates changed very little over the month in the labor market areas. Both increases and decreases were less than 1.0 percentage point. The largest increase, 0.3 percentage point occurred in the Lancaster, York and Scranton/Wilkes-Barre MSAs. The largest decline of 0.4 percentage point was reported in the Beaver County PMSA which also had the highest unemployment rate in October. The seasonally adjusted unemployment rates in eight major labor market areas were lower than Pennsylvania's rate of 5.5, while the other seven were higher.

SERVICE DELIVERY AREAS

Unemployment rates (unadjusted) for Service Delivery Areas (SDAs) also showed little change from a month ago. October rates ranged from 2.9 in SDA 21 (Chester County) to 8.5 in SDA 05 (Beaver County) with no change greater than 0.7 percentage point from a month ago.

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
OCTOBER 1988 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	129.5	121.7	7.8	6.0
02	Clarion, Crawford, Forest, Venango, Warren	104.7	97.8	6.8	6.5
03	City of Pittsburgh	170.0	161.4	8.6	5.1
04	Allegheny County minus City of Pittsburgh	464.7	443.6	21.2	4.6
05	Beaver	63.3	57.9	5.4	8.5
06	Armstrong, Butler, Indiana	133.2	124.0	9.2	6.9
07	Fayette, Westmoreland	228.5	210.3	18.2	8.0
08	Greene, Washington	103.2	96.7	6.5	6.3
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	101.8	94.0	7.8	7.7
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	200.2	185.9	14.3	7.1
11	Centre, Clinton, Lycoming, Mifflin	162.2	153.1	9.0	5.6
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	131.8	123.3	8.5	6.4
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	83.3	79.4	3.9	4.7
14	Lackawanna	108.9	103.4	5.5	5.0
15	Carbon, Monroe, Pike, Wayne	98.6	94.1	4.5	4.5
16	Luzerne, Schuylkill	232.7	217.0	15.7	6.7
17	Philadelphia	744.8	700.1	44.7	6.0
18	Bucks	291.1	281.0	10.1	3.5
19	Montgomery	385.0	373.4	11.6	3.0
20	Delaware	297.6	287.3	10.3	3.5
21	Chester	188.3	182.8	5.4	2.9
22	Lehigh, Northampton	258.7	247.9	10.8	4.2
23	Berks	179.0	172.5	6.5	3.7
24	Cumberland, Dauphin, Lebanon, Perry	319.6	306.2	13.4	4.2
25	Lancaster	220.2	211.3	8.9	4.1
26	York	180.5	172.2	8.3	4.6
27	Adams, Franklin	93.2	89.5	3.6	3.9
28	Lawrence, Mercer	95.6	90.3	5.2	5.5
	PENNSYLVANIA - TOTAL	5770.0	5478.0	292.0	5.1

A Service Delivery Area is a geographical planning region defined by the Jobs Training Partnership Act (JTPA).

SPECIAL SUBJECT

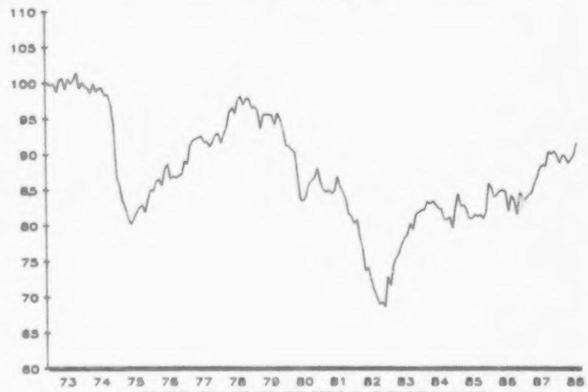
The Pennsylvania Manufacturing Activity Index

A good deal of attention has been given to the so-called "decline" of the manufacturing sector in the Commonwealth, not only in the *Pennsylvania Business Survey*, but elsewhere as well. For the most part, these discussions have focused on trends in job levels and, to a somewhat lesser extent, income. At the same time, we have often footnoted these analyses with a caution. Specifically, we pointed out that, although no hard data existed, it was quite likely that job and income information perhaps did not provide a true reflection of production activity in Pennsylvania's factories. Indeed, it is for this reason that information pertaining to industrial power sales and total hours worked has historically been a part of the *Survey's* focus, since these indicators may shed additional light on production trends. Still, these series only provided circumstantial evidence with respect to industrial output, which, in the absence of reliable data on the physical output of goods, was about the best that could be done.

However, a good deal of recent research, a fair portion of which has been initiated by regional Federal Reserve Banks, has focused on the development of methodologies pertaining to the construction of regional and state-level industrial production indexes. As a result, Penn State's Center for Regional Business Analysis has, over the course of the past several months, applied these various methodologies to Pennsylvania and developed a Pennsylvania Manufacturing Activity Index (PMAI), which is illustrated in the accompanying chart. In a nutshell, the PMAI suggests that the long-term trend in manufacturing output, stretching back over 15 years, has been slightly downward. In that activity tends to move with the business cycle, the index has increased since 1983, although factories do appear to be struggling to regain all of the ground lost in the most recent recession. Because of the difficulties experienced in the late 1970s and early 1980s, production in Pennsylvania manufacturing establishments remains about 10 percent below 1973 levels, the base year of the index.

The index is based on historical trends in the annual behavior of the share of output (real value added by manufacturing) accounted for by labor (represented by hours worked) and capital (represented by industrial power sales) and the productivities of these two factors. Value added represents the value of shipments less the cost of purchased intermediate materials, summed over each stage of the production process which, when adjusted for inflation, is a good proxy for physical production. Included in value added are primarily returns to labor and capital and, to a lesser extent, capital recovery, profits, interest on debt, taxes, and the purchase of business services. Much of this information is obtained from annual reports provided by the U.S. Bureau of the Census. These annual trends are applied to intervening months (the interpolation process) and, since the historical data is released with a considerable lag, extrapolated out to the present. These trends and patterns, in conjunction with information on total hours worked and industrial power sales, which we have access to on a monthly basis after only a brief lag, allow us to estimate real value added on a monthly basis for Pennsylvania's manufacturers.

PENNSYLVANIA MANUFACTURING ACTIVITY INDEX
(1973=100)

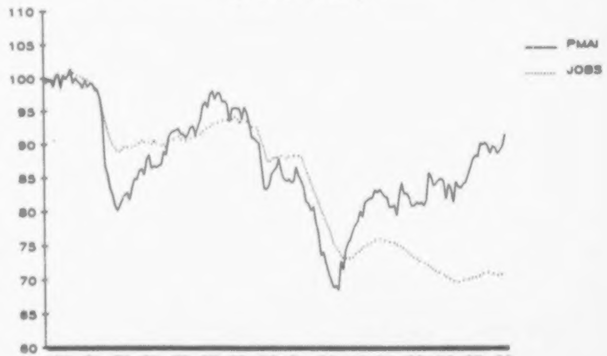


SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

Two points merit further attention. First, it does appear that recent job trends, say, stretching back to 1983, have failed to provide an adequate reflection of overall production trends. Specifically, it appears that production has been able to move forward while job levels have been on a downward trajectory (see chart). This is due to the fact that the average worker in Pennsylvania's manufacturing sector has become more productive per hour worked. Indeed, through the first eight months of this year, manufacturing jobs in the Commonwealth have declined by 7 percent since the trough in the business cycle around 1982/1983. At the same time, production has grown by approximately one-fifth.

Second, and on a more negative note, it does appear that, as with nearly all long-term indicators of economic activity, industrial production trends in Pennsylvania are worrisome when compared to those for the U.S., as shown in the accompanying chart. Other researchers have often made comparisons of regional industrial production indexes to the U.S. index as tabulated by the Federal Reserve. Such a comparison suggests that Pennsylvania has trailed the U.S. by a considerable margin. While production in the Commonwealth currently remains below levels from 1973, the base year of the index, U.S. manufacturing output has advanced by approximately 50 percent. However, because of differences in

PENNSYLVANIA MANUFACTURING ACTIVITY INDEX AND
PENNSYLVANIA MANUFACTURING JOBS
(1973=100)



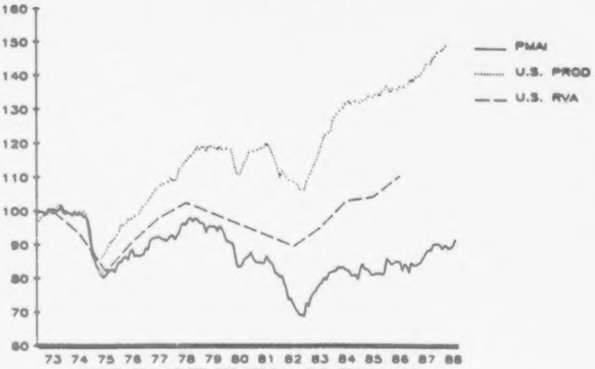
SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

methodologies, such a comparison may not be appropriate. Ideally, comparisons should be made between the PMAI and a similar index using identical methodologies for the U.S. In the absence of such an index, a comparison is made through 1986 with the annual totals for real value added for U.S. manufacturers. Although this also shows the Commonwealth lagging the U.S., the shortfall is not nearly as large as when comparisons are made using the U.S. industrial production index.

The development of such an index provides us with yet another tool to analyze the Pennsylvania economy and, as a result, the PMAI will become an important component of the monthly analyses contained in the *PBS*. Some caution, however, is warranted in interpreting the index. Its fit with historical "actual" data is nearly perfect. However, over the extrapolated portion of the index (currently stretching back to 1987 since real value added data is available only through 1986) it is perhaps best to treat the index as a qualitative as opposed to a quantitative measure of manufacturing production trends since this portion of the index is subject to revision. Nonetheless, statistical tests have shown that earlier extrapolation periods did pick up turning points and provided a reliable indicator of output trends. In a nutshell, it is best to focus on long-term trends in the Pennsylvania Manufacturing Activity Index rather than on month-to-month movements in the index.

— William D. Anderson

PMAI, U.S. INDUSTRIAL PRODUCTION, AND
U.S. REAL VALUE ADDED
(1973=100)



SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

SOURCE: The above article is reprinted from the October, 1988 issue of the "Pennsylvania Business Survey," published by the Division of Research of the College of Business Administration, The Penn State University, University Park. Mr. Anderson is the Assistant Director of the Center for Regional Business Analysis.

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

YORK MSA
WILLIAMSPORT MSA
STATE COLLEGE MSA
SHARON MSA
SCRANTON -
WILKES-BARRE MSA
READING MSA
PITTSBURGH PMSA
PHILADELPHIA PMSA
LANCASTER MSA
JOHNSTOWN MSA
HARRISBURG-
LEBANON-CARLISLE
MSA
ERIE MSA
BEAVER COUNTY
PMSA
ALTOONA MSA
ALLENTOWN-
BETHLEHEM MSA

PENNSYLVANIA'S

LABOR FORCE

.... A Monthly Statistical Analysis

Highlights

- At 5,120,000, nonagricultural employment set another record in November.
- Nonmanufacturing employment at a record high of 4,061,300 in November.
- All counties in Pennsylvania recorded single digit unemployment rates.
- Seasonally adjusted unemployment rates for all of Pennsylvania's major labor market areas declined from a year ago.
- Production workers earned $10.43 per hour and worked an average of 41.7 hours per week.
- Balance of $1.2 billion in Unemployment Compensation Trust Fund.

INSIDE

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December 1988 DATA ISSUED: January 1989

Commonwealth of Pennsylvania

Robert P. Casey, Governor

LABOR MARKET INFORMATION

Department of Labor and Industry Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis
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CURRENT LABOR FORCE SITUATION

EMPLOYMENT AT SECOND HIGHEST LEVEL EVER

Pennsylvania's labor force held at near record level performance in December. Seasonally adjusted employment moved up to the second highest level ever while the statewide rate of unemployment inched up 0.1 percentage point to 4.7 percent.

Data, made available through the Current Population Survey (CPS) of households and released by the Bureau of Labor Statistics (BLS), show December seasonally adjusted employment in Pennsylvania at 5,517,000, up 52,000 from November. This was just short of the all-time high of 5,526,000 set in August of 1988. Although employment growth during recent months has not been as explosive as during earlier years of the economic recovery, job vacancies are bumping up against labor shortages in many areas of the state limiting the magnitude of continued job growth.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

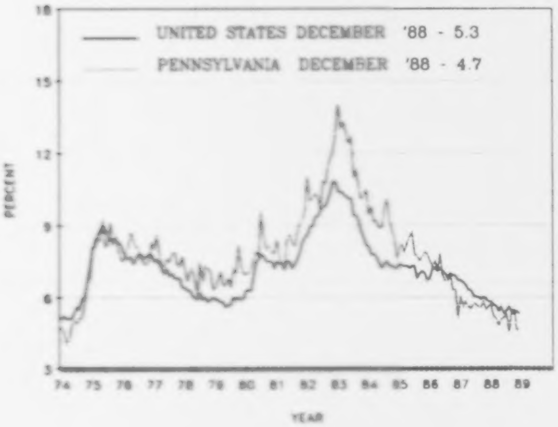


TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	DEC. 1988	NOV. 1988	DEC. 1987	NET CHANGE FROM NOV. 1988	NET CHANGE FROM DEC. 1987
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,787	5,726	5,780	61	7
Employment	5,517	5,465	5,457	52	60
Unemployment	270	261	323	9	-53
Rate of Unemployment (%)	4.7	4.6	5.6	0.1	-0.9
UNADJUSTED DATA					
Civilian Labor Force	5,766	5,739	5,752	27	14
Employment	5,523	5,491	5,459	32	64
Unemployment	243	248	293	-5	-50
Rate of Unemployment (%)	4.2	4.3	5.1	-0.1	-0.9

Nonetheless, employment showed a healthy 60,000 increase over the year earlier December level.

Despite the employment gain, unemployment also rose as many workers entered the labor force in December. Unemployment, seasonally adjusted, was 270,000 in December, up 9,000 over the month. The statewide seasonally adjusted rate of unemployment was 4.7 percent, up 0.1 percentage point.

The December rate was surpassed during the current economic recovery by only November at 4.6 percent and August at 4.5 percent. Lower rates than these have not been seen in Pennsylvania since April 1974 when a rate of 4.3 percent was achieved.

Unemployment, not adjusted for seasonality, was 243,000 in December, down 5,000 since November. This represents the lowest unadjusted jobless count since September 1974 when 241,000 were unemployed. The unadjusted rate of unemployment was 4.2 percent in December, down 0.1 percentage point over the month.

PENNSYLVANIA'S JOBS

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	DEC. 1988 AP/	NOV. 1988 P/	OCT. 1988	NOV. 1987	NET CHANGE TO NOV. 1988 FROM:	
					OCT. 1988	NOV. 1987
NONAG. WAGE AND SALARY	5112.4	5120.0	5116.6	5018.7	3.4	101.3
—MANUFACTURING INDUSTRIES	1052.4	1055.4	1057.1	1053.5	-1.7	1.9
DURABLE GOODS INDUSTRIES	604.1	605.3	604.9	600.1	0.4	5.2
LUMBER AND WOOD PRODUCTS		31.2	31.3	30.7	-0.1	0.5
FURNITURE AND FIXTURES		21.6	21.7	22.0	-0.1	-0.4
STONE, CLAY, AND GLASS PRODUCTS		48.4	48.5	47.8	-0.1	0.6
PRIMARY METAL INDUSTRIES		93.3	93.0	89.9	0.3	3.4
FABRICATED METAL PRODUCTS		93.3	93.8	93.2	-0.5	0.1
MACHINERY, EXCEPT ELECTRICAL		110.4	109.8	106.1	0.6	4.3
ELECTRIC & ELECTRONIC EQUIPMENT		92.7	92.9	92.5	-0.2	0.2
TRANSPORTATION EQUIPMENT		60.2	59.7	62.4	0.5	-2.2
INSTRUMENTS AND RELATED PRODUCTS		33.7	33.9	34.5	-0.2	-0.8
MISCELLANEOUS MANUFACTURES		20.5	20.3	21.0	0.2	-0.5
NONDURABLE GOODS INDUSTRIES	448.3	450.1	452.2	453.4	-2.1	-3.3
FOOD AND KINDRED PRODUCTS		92.6	92.7	93.0	-0.1	-0.4
TOBACCO MANUFACTURES		1.3	1.2	1.3	0.1	0.0
TEXTILE MILL PRODUCTS		30.5	30.6	31.3	-0.1	-0.8
APPAREL AND OTHER TEXTILE PRODS.		80.4	82.1	83.5	-1.7	-3.1
PAPER AND ALLIED PRODUCTS		40.4	40.9	40.9	-0.5	-0.5
PRINTING AND PUBLISHING		81.8	81.6	81.8	0.2	0.0
CHEMICALS AND ALLIED PRODUCTS		60.7	60.9	59.9	-0.2	0.8
PETROLEUM AND COAL PRODUCTS		10.3	10.3	10.4	0.0	-0.1
RUBBER AND PLASTICS PRODUCTS		42.4	42.2	40.9	0.2	1.5
LEATHER AND LEATHER PRODUCTS		9.7	9.7	10.4	0.0	-0.7
—NONMANUFACTURING INDUSTRIES	4059.2	4061.3	4058.0	3962.8	3.3	98.5
MINING	29.2	29.7	30.0	30.9	-0.3	-1.2
CONTRACT CONSTRUCTION	237.4	249.7	256.1	234.9	-6.4	14.8
TRANSPORTATION	145.2	144.8	144.7	144.9	0.1	-0.1
PUBLIC UTILITIES	104.6	104.6	104.6	104.9	0.0	-0.3
COMMUNICATIONS		49.7	49.7	49.9	0.0	-0.2
ELECTRIC, GAS AND SANITARY		54.9	54.9	55.0	0.0	-0.1
WHOLESALE TRADE	269.9	270.0	270.0	264.7	0.0	5.3
RETAIL TRADE	910.8	898.0	887.5	888.3	10.5	9.7
GENERAL MERCHANDISE STORES		134.5	126.5	138.3	8.0	-3.8
FINANCE, INSURANCE AND REAL ESTATE	297.7	297.3	298.0	292.1	-0.7	5.2
BANKING		87.5	87.4	88.0	0.1	-0.5
INSURANCE CARRIERS		89.7	89.4	86.2	0.3	3.5
SERVICES	1358.4	1359.1	1364.0	1298.2	-4.9	60.9
BUSINESS SERVICES		241.7	241.1	224.0	0.6	17.7
HEALTH SERVICES		438.2	437.6	421.5	0.6	16.7
--HOSPITALS		239.9	239.6	232.6	0.3	7.3
LEGAL SERVICES		37.9	37.8	37.1	0.1	0.8
EDUCATIONAL SERVICES		160.8	161.4	157.0	-0.6	3.8
SOCIAL SERVICES		88.0	87.5	82.3	0.5	5.7
MISCELLANEOUS SERVICES		66.3	66.5	61.8	-0.2	4.5
OTHER SERVICES		326.2	332.1	314.5	-5.9	11.7
GOVERNMENT	706.0	708.1	703.1	703.9	5.0	4.2
FEDERAL		142.1	142.4	142.9	-0.3	-0.8
STATE		156.5	155.6	153.5	0.9	3.0
LOCAL		409.5	405.1	407.5	4.4	2.0
—PERSONS IN LABOR-MGMT. DISPUTES	0.8	3.3	1.5	2.4	1.8	0.9

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

EMPLOYMENT RECEDED SLIGHTLY IN DECEMBER

The survey of businesses in Pennsylvania indicate that after two months of new employment records, total nonagricultural employment receded slightly in December. The decrease, 7,600, was less than expected for the month, however, and at 5,112,400 employment stood at the third highest level ever, surpassed only by October and November of 1988.

Manufacturing payrolls lost 3,000 over the month, slightly more than would be seasonally expected. At 1,052,400, the December level represented a gain of 700 over a year ago. Over-the-month losses were fairly evenly divided between the durable and nondurable goods industries.

Nonmanufacturing fell by 2,100 over the month, far less than expected for this time of year. With 4,059,200 employed, December represents the second highest level ever in this sector. Nonmanufacturing was up 94,400 over December a year ago.

The largest gainer within nonmanufacturing was retail trade, which added a slightly more-than-expected 12,800 jobs over the month as optimism among retailers preceded the holiday shopping season, to reach a new high of 910,800 employed in December. This optimism was well founded: retail sales did exceedingly well at Christmas.

The largest loser, contract construction, stood at 237,400 after a seasonally expected reduction of 12,300 jobs since November. Despite the loss, contract construction has added 14,000 new jobs since last year.

Services, with an over-the-month decline of 700, has expanded by 58,800 since December of 1987, and has added over sixty percent of all new jobs to the economy over the past year.

NEW EMPLOYMENT RECORD SET IN NOVEMBER

Nonagricultural employment exceeded seasonal expectations by setting a new record in November. At 5,120,000, employment was up by 3,400 over the month, and by 101,300 over a year ago.

Gains in total employment were tempered by an over-the-month loss of 1,700 manufacturing jobs, when a slight increase in employment in this sector is expected in November. However, the decrease may be a correction for the 3,100 fewer jobs lost in October than was expected. At 1,055,400 manufacturing employment was up 1,900 over November a year ago.

Durable goods industries posted an over-the-month gain of 400, and were up 5,200 over a year ago. The gainers within durable goods were: primary metals, which added 300 jobs and has expanded by 3,400 over the last year; machinery, except electrical, which rose by 600 over the month and by 4,300 over the year; transportation equipment, with an over-the-month gain of 500 and a loss of 2,200 jobs since last November; and miscellaneous manufacturing, up 200 for the month but down 500 for the year.

Nondurable goods employment dropped by 2,100 and was down by 3,300 from November a year ago. Employment declined in many sectors within the nondurable goods industries when compared to one month and one year ago. The largest over-the-month loss in employment was recorded by apparel and other textile products, down by 1,700 for the month, and by 3,100 for the year.

Jobs within the nonmanufacturing sector were up by 3,300 in November, an increase of 98,500 over a year ago. Retail trade was up a seasonally expected 10,500 to reach 898,000, the second highest level ever; the services sector was down 4,900, a less-than-expected loss for November, to a level of 1,359,100; and government gained a seasonally expected 5,000 jobs over the month, mostly due to an expansion of the labor force at the local government level.

HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS
OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	NOV 1988 P/	OCT 1988	NOV 1987	NOV 1988 P/	OCT 1988	NOV 1987	NOV 1988 P/	OCT 1988	NOV 1987
MANUFACTURING INDUSTRIES	$434.93	$428.28	$421.64	41.7	41.3	41.5	$10.43	$10.37	$10.16
DURABLE GOODS	476.79	468.42	463.49	42.8	42.2	42.6	11.14	11.10	10.88
LUMBER AND WOOD PRODUCTS	353.16	347.13	349.29	40.5	39.9	40.9	8.72	8.70	8.54
FURNITURE AND FIXTURES	361.49	367.64	370.40	39.9	40.4	41.9	9.06	9.10	8.84
STONE, CLAY, AND GLASS PRODS.	477.86	472.63	449.78	43.8	43.4	43.0	10.91	10.89	10.46
PRIMARY METALS	567.57	554.70	557.61	44.1	43.1	43.7	12.87	12.87	12.76
FABRICATED METAL PRODUCTS	473.04	458.60	452.82	43.8	42.7	42.8	10.80	10.74	10.58
NONELECTRICAL MACHINERY	496.60	486.33	482.61	43.6	43.0	43.4	11.39	11.31	11.12
ELECTRIC AND ELECTRONIC MACH.	418.14	414.73	428.40	41.4	40.7	42.0	10.10	10.19	10.20
TRANSPORTATION EQUIPMENT	555.08	548.69	506.69	42.6	42.6	41.6	13.03	12.88	12.18
INSTRUMENTS AND RELATED PROD.	443.27	432.14	434.60	41.7	41.0	42.4	10.63	10.54	10.25
MISCELLANEOUS MANUFACTURES	420.02	406.19	417.36	41.3	40.7	41.2	10.17	9.98	10.13
NONDURABLE GOODS	379.09	375.74	367.60	40.2	40.1	40.0	9.43	9.37	9.19
FOOD AND KINDRED PRODUCTS	422.91	418.40	411.00	41.3	41.1	41.1	10.24	10.18	10.00
TOBACCO PRODUCTS	259.79	247.02	260.57	41.7	40.1	42.3	6.23	6.16	6.16
TEXTILE PRODUCTS	294.33	288.80	282.43	40.1	39.4	39.5	7.34	7.33	7.15
APPAREL AND RELATED PRODUCTS	228.06	231.58	214.46	36.2	36.7	35.1	6.30	6.31	6.11
PAPER PRODUCTS	481.58	481.80	471.24	43.9	43.8	44.0	10.97	11.00	10.71
PRINTING AND PUBLISHING	444.61	435.81	432.12	40.2	39.8	39.9	11.06	10.95	10.83
CHEMICALS AND ALLIED PRODUCTS	541.73	525.37	526.04	43.2	42.3	43.8	12.54	12.42	12.01
PETROLEUM AND COAL PRODUCTS	599.50	597.98	589.69	42.1	42.5	42.7	14.24	14.07	13.81
RUBBER AND PLASTICS PRODUCTS	380.38	380.94	383.92	41.8	42.0	42.8	9.10	9.07	8.97
LEATHER PRODUCTS	241.33	232.14	229.96	37.3	36.5	38.2	6.47	6.36	6.02
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	457.07	450.30	446.77	37.1	37.4	37.2	12.32	12.04	12.01
BIT. COAL & LIGNITE MINING	647.39	651.46	657.72	41.0	41.6	42.0	15.79	15.66	15.66
COMMUNICATIONS	539.35	534.26	531.19	39.6	39.4	39.7	13.62	13.56	13.38
ELECTRIC, GAS, & SANITARY	672.52	675.38	690.42	43.0	43.1	44.4	15.64	15.67	15.55
GENERAL MERCHANDISE STORES	183.33	183.68	187.05	28.6	28.0	29.0	6.41	6.56	6.45

P/ Preliminary data.

AVERAGE HOURLY AND WEEKLY EARNINGS RISE IN MANUFACTURING INDUSTRIES

November's average weekly earnings of Pennsylvania's manufacturing production workers grew by $6.65 from the month-ago level and by $13.29 from a year ago. Average hourly earnings increased by $.06 cents from last month and by $. 27 cents from last year to a current $10.43. Minimal increases were recorded in hours worked and averaged 41.7 hours in November, the second highest on record. Longer work weeks, combined with new technology, have enabled employers to raise production to the level of the early 1980s with almost 250,000 less workers.

Within manufacturing, the largest weekly paychecks were received by petroleum and coal product workers in the nondurable goods sector ($599.50), followed by workers in primary metals ($567.57) and transportation equipment ($555.08) in the durable goods sector. These workers all had average work weeks over 40 hours. Their average weekly earnings were more than month-ago and year-ago averages.

In nonmanufacturing, the highest average weekly wage of $672.52 was paid to workers in the electric, gas and sanitary services industry, followed by $647.39 paid to those in bituminous coal and lignite mining. These earnings were less than month-ago and year-ago levels primarily due to shorter workweeks for the same periods.

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	NOVEMBER 1988	OCTOBER 1988	NOVEMBER 1987	NET CHANGE FROM OCT. 88	NET CHANGE FROM NOV. 87
CLAIMS ACTIVITY					
Initial Claims	81,982	63,887	85,736	18,095	-3,754
Weeks Claimed	437,123	364,007	417,841	73,116	19,282
---Average Weekly Volume	99,346	86,668	99,486	12,678	-140
Insured Unemployed Rate	2.1%	1.9%	2.2%	0.2	-0.1
PAYMENT ACTIVITY					
First Payments	24,851	20,548	24,517	4,303	334
Final Payments	6,014	6,276	6,098	-262	-84
Weeks Paid	359,952	312,551	352,637	47,401	7,315
Net Benefit Amount	$54,571,940	$47,652,161	$49,948,788	$6,919,779	$4,623,152
Avg. Check Amount	$151.61	$152.46	$141.64	-$0.85	$9.97

UNEMPLOYMENT CLAIMS MOVE SEASONALLY UPWARD

Initial claims and weeks claimed both increased in November 1988 from month ago October totals. Initial claims jumped by 28 percent to 81,982 while the weeks claimed total of 437,123 grew by 20 percent from October. The increases are coincidental with the normal seasonal rise in the insured unemployment rate during November, which rose to 2.1 percent from last month's 1.9 percent.

Unemployment Compensation Trust Fund disbursements during November 1988 equaled $251.3 million and included a $196.7 million repayment of the state's unemployment compensation debt. Income of $193.2 million exceeded slightly increased benefit disbursements of $54.6 million. Income included $22.4 million interest earnings on the Trust Fund's cash reserves. Due to repaying the unemployment compensation debt, the Trust Fund's end of the month cash and net reserves were equal at $1.2 billion.

UNEMPLOYMENT COMPENSATION TRUST FUND - NOVEMBER 1988

Income - $193,203,067
Disbursements - $251,281,409

Cash Reserves	$ 1,226,159,486
Federal Loans	0
Net Reserves	$ 1,226,159,486

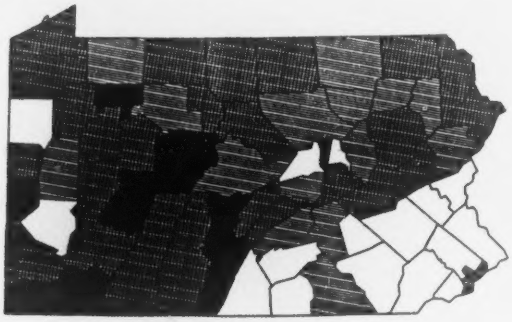
UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

ALL COUNTIES ARE BELOW TEN PERCENT

November marks the second month in 1988 in which every county in Pennsylvania had an unadjusted unemployment rate less than 10.0 percent. Sixty-two counties had declines in their unemployment rates,while the remaining five counties displayed increases .

For the third consecutive month, Chester County had the lowest unemployment rate (2.4 percent) and Greene County had the highest (9.0 percent). However, Greene County's unemployment rate declined by 1.5 percentage points: the sixth greatest decline from a month ago.

Most of the counties with unemployment rates less than 5.0 percent, the rate considered full employment by many economists, were in the eastern portion of the State and had rates less than 5.0 percent in October. However, three more counties in western Pennsylvania (Butler, Elk and Erie) lowered their rates to 5.0 percent or less in November.



NOVEMBER RATE
OF UNEMPLOYMENT

☐ 2.4 to 3.9
▤ 4.0 to 4.9
■ 5.0 to 6.9
■ 7.0 to 9.4

TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
NOVEMBER - 1988

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.4	4400
Montgomery	2	2.5	9800
Delaware	3	2.8	8200
Bucks	4	2.9	8300
Cumberland	5	3.0	3200
Adams	6	3.1	1200
Lancaster	6	3.1	6700
Franklin	8	3.3	1800
Lebanon	9	3.5	2200
Lehigh	9	3.5	5000
Berks	11	3.6	6500
Union	11	3.6	600
Montour	13	3.7	300
Northampton	13	3.7	4100
Mercer	15	3.8	2000
Allegheny	16	3.9	24500
Monroe	17	4.0	1700
York	17	4.0	7200
Bradford	19	4.1	1300
Sullivan	19	4.1	100
Dauphin	21	4.2	5500
Warren	21	4.2	900
Centre	23	4.3	2800
Snyder	23	4.3	800
Wyoming	23	4.3	600
Lackawanna	26	4.5	4800
Lycoming	26	4.5	2800
Perry	26	4.5	900
Butler	29	4.7	3300
Columbia	30	4.9	1500
Elk	31	4.9	800
Philadelphia	31	4.9	36200
Erie	33	5.0	6400
Carbon	34	5.1	1200
Washington	34	5.1	4500
Lawrence	36	5.2	2300
Pike	36	5.2	600
Susquehanna	36	5.2	900
Potter	39	5.3	400
Schuylkill	39	5.3	3800
Tioga	39	5.3	1000
Venango	42	5.7	1500
Crawford	43	5.8	2200
McKean	43	5.8	1200
Wayne	43	5.8	1200
Clinton	46	5.9	900
Blair	47	6.0	3600
Cambria	47	6.0	3700
Mifflin	47	6.0	1300
Jefferson	50	6.4	1200
Somerset	50	6.4	2000
Luzerne	52	6.5	10400
Northumberland	52	6.5	3100
Westmoreland	52	6.5	11000
Armstrong	55	6.6	1800
Clarion	55	6.6	1100
Juniata	55	6.6	600
Cameron	58	6.7	200
Bedford	59	6.9	1600
Beaver	60	7.2	4500
Huntingdon	61	7.4	1300
Forest	62	7.8	100
Fulton	63	8.0	500
Indiana	64	8.1	2800
Fayette	65	8.5	4900
Clearfield	66	8.7	3000
Greene	67	9.0	1200

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	NOVEMBER 1988 * UNEMPLOYMENT NUMBER AND RATE%		OCTOBER 1988 UNEMPLOYMENT NUMBER AND RATE%		NOVEMBER 1987 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6595	5.4	6491	5.3	7090	5.9
PENNSYLVANIA	261	4.6	313	5.5	315	5.5
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	12.7	4.0	14.6	4.6	16.1	5.0
ALTOONA	3.7	6.2	4.4	7.3	4.3	7.2
BEAVER COUNTY PMSA	4.7	7.5	5.2	8.3	5.6	9.1
ERIE MSA	6.9	5.4	8.5	4.6	9.0	7.0
HARRISBURG-LEB-CARLISLE MSA	11.8	3.7	14.4	4.5	13.8	4.4
JOHNSTOWN MSA	6.4	6.8	7.7	8.2	7.9	8.4
LANCASTER MSA	6.4	2.9	8.8	4.0	9.1	4.2
PHILADELPHIA PMSA	94.7	3.9	101.4	4.2	103.3	4.3
PITTSBURGH PMSA	49.4	5.2	55.8	5.9	59.7	6.3
READING MSA	7.4	4.1	7.8	4.4	9.1	5.2
SCRANTON--WILKES-BARRE MSA	19.8	5.6	22.1	6.3	23.4	6.7
SHARON MSA	2.2	4.3	2.7	5.3	2.9	5.8
STATE COLLEGE MSA	2.7	4.3	3.3	5.3	3.2	5.3
WILLIAMSPORT MSA	2.9	4.7	3.4	5.6	3.5	5.9
YORK MSA	8.8	4.0	10.1	4.7	10.0	4.7

* Preliminary data.

ALL LABOR MARKET AREAS IMPROVE OVER THE YEAR

In November, seasonally adjusted unemployment rates for the fifteen labor market areas declined from a year ago and all but one area declined from a month ago. Erie MSA's November rate of 5.4 percent was a modest 0.8 percentage point increase from October. The largest month-ago decline (-1.4 percent) was recorded by Johnstown MSA which had the second highest unemployment rate (6.8 percent). Beaver County PMSA's unemployment rate for November of 7.5 percent was a fractional 0.8 percentage point less than a month ago. This labor market area ranked at the highest level throughout 1988.

SERVICE DELIVERY AREAS

Unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.4 percent for SDA 21 to 7.2 percent for SDA 05. Twenty-six SDAs lowered their rates, one stayed the same, and one increased. The changes were within a limited range of +0.2 to -1.3 percentage points.

TABLE 7
MONTHLY EMPLOYMENT SITUATION
NOVEMBER 1988 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	128.6	122.2	6.4	5.0
02	Clarion, Crawford, Forest, Venango, Warren	104.2	98.4	5.8	5.6
03	City of Pittsburgh	168.2	161.3	6.9	4.1
04	Allegheny County minus City of Pittsburgh	460.8	443.2	17.6	3.8
05	Beaver	62.3	57.8	4.5	7.2
06	Armstrong, Butler, Indiana	131.7	123.8	7.9	6.0
07	Fayette, Westmoreland	226.0	210.1	15.9	7.0
08	Greene, Washington	102.3	96.6	5.7	5.6
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	101.4	94.6	6.8	6.7
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	198.5	185.9	12.6	6.4
11	Centre, Clinton, Lycoming, Mifflin	162.0	154.3	7.7	4.8
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	130.2	123.4	6.9	5.3
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	83.3	79.4	3.9	4.7
14	Lackawanna	108.0	103.2	4.8	4.5
15	Carbon, Monroe, Pike, Wayne	98.5	93.8	4.7	4.7
16	Luzerne, Schuylkill	231.5	217.4	14.2	6.1
17	Philadelphia	739.6	703.4	36.2	4.9
18	Bucks	290.6	282.3	8.3	2.9
19	Montgomery	384.9	375.1	9.8	2.5
20	Delaware	296.9	288.7	8.2	2.8
21	Chester	188.1	183.7	4.4	2.4
22	Lehigh, Northampton	257.3	248.2	9.1	3.5
23	Berks	179.6	173.1	6.5	3.6
24	Cumberland, Dauphin, Lebanon, Perry	317.1	305.4	11.7	3.7
25	Lancaster	218.3	211.5	6.7	3.1
26	York	180.7	173.5	7.2	4.0
27	Adams, Franklin	92.5	89.6	3.0	3.2
28	Lawrence, Mercer	95.2	91.0	4.2	4.4
	PENNSYLVANIA - TOTAL	5739.0	5491.0	248.0	4.3

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

YORK MSA
WILLIAMSPORT MSA
STATE COLLEGE MSA
SHARON MSA
SCRANTON - WILKES-BARRE MSA
READING MSA
PITTSBURGH PMSA
PHILADELPHIA PMSA
LANCASTER MSA
JOHNSTOWN MSA
HARRISBURG-LEBANON-CARLISLE MSA
ERIE MSA
BEAVER COUNTY PMSA
ALTOONA MSA
ALLENTOWN-BETHLEHEM MSA

PENNSYLVANIA'S

LABOR FORCE

.... A Monthly Statistical Analysis

Highlights

- January's seasonally adjusted unemployment rate of 4.3 percent was the lowest in nearly 15 years.
- Nonagricultural wage and salary jobs dipped to 5,118,900 in December—4,200 below November's record level. Decline was considerably less than the 11,000 expected for this month.
- All counties in Pennsylvania again recorded single digit unemployment rates.
- Labor market areas experienced little change in unadjusted rates from last month.
- Average earnings in manufacturing rose in December to $10.49 per hour.
- December weeks claimed and initial claims were lowest for the month in 19 years.

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Pennsylvania's Service Delivery Areas........................8

JANUARY 1989 ~~December~~ ~~1988~~ DATA

ISSUED: FEBRUARY ~~January~~ 1989

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry

Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

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CURRENT LABOR FORCE SITUATION

EMPLOYMENT AT ALL TIME HIGH

Following a very strong 1988, Pennsylvania's labor force began the new year with a record-setting performance. Seasonally adjusted employment jumped to more than 140,000 above the previous all-time high while the rate of unemployment fell to the lowest level in nearly fifteen years.

Data made available through the Current Population Survey (CPS) of households and released by the U.S. Department of Labor's Bureau of Labor Statistics (BLS), show January seasonally adjusted employment in Pennsylvania at 5,689,000, up 146,000 from the December level which was revised upward since last month's report to 5,543,000. The January figure was well above the previous high of 5,547,000 set in August 1988. Compared with a year ago, the January figure was up 200,000, easily surpassing the ten year average annual gain of 55,000. Over the past two years, employment gained a robust 446,000.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

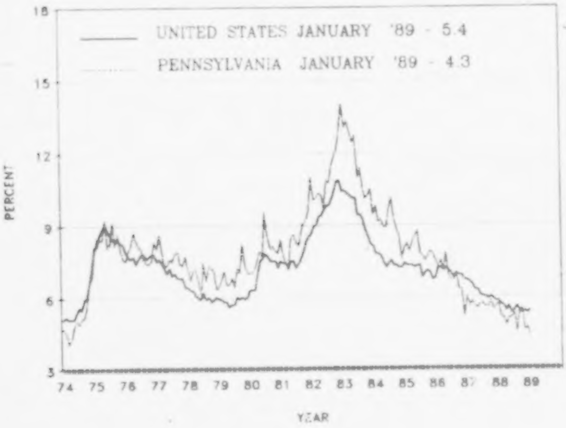

TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	JAN. 1989	DEC. 1988	JAN. 1988	NET CHANGE FROM DEC. 1988	NET CHANGE FROM JAN. 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,947	5,816	5,814	131	133
Employment	5,689	5,543	5,489	146	200
Unemployment	258	273	325	-15	-67
Rate of Unemployment (%)	4.3	4.7	5.6	-0.4	-1.3
UNADJUSTED DATA					
Civilian Labor Force	5,884	5,806	5,745	78	139
Employment	5,592	5,562	5,388	30	204
Unemployment	292	244	357	48	-65
Rate of Unemployment (%)	5.0	4.2	6.2	0.8	-1.2

Unemployment, seasonally adjusted, fell in response to the employment gain in January to 258,000, down 15,000 over the month. This resulted in a 0.4 percentage point drop in the statewide seasonally adjusted rate of unemployment. At 4.3 percent, January's rate was the lowest since April 1974, when the rate was also 4.3 percent. Only six scattered months during the previous decade had unemployment rates below 4.3 percent, the lowest being 3.2 percent in January and February of 1970. Compared with a year ago, the January rate was down from 5.6 percent representing 67,000 fewer jobless workers. Over the past two years, unemployment was down 73,000 from January 1987 when the rate was 5.9 percent.

Unemployment, not adjusted for seasonality, was 292,000 in January, up 48,000 since December. The unadjusted rate of unemployment was 5.0 percent, up from 4.2 percent in December. Compared with a year ago, the rate was down sharply from 6.2 percent.

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	DEC. 1988 P/	NOV. 1988	DEC 1987	NET CHANGE TO DEC. 1988 FROM: NOV. 1988	NET CHANGE TO DEC. 1988 FROM: DEC. 1987
NONAG. WAGE AND SALARY	5118.9	5123.1	5018.2	-4.2	100.7
---MANUFACTURING INDUSTRIES	1054.5	1055.6	1051.7	-1.1	2.8
DURABLE GOODS INDUSTRIES	603.7	605.0	599.5	-1.3	4.2
LUMBER AND WOOD PRODUCTS	30.9	31.2	30.6	-0.3	0.3
FURNITURE AND FIXTURES	21.4	21.6	22.2	-0.2	-0.8
STONE, CLAY, AND GLASS PRODUCTS	48.2	48.4	47.9	-0.2	0.3
PRIMARY METAL INDUSTRIES	93.1	93.1	90.3	0.0	2.8
FABRICATED METAL PRODUCTS	93.2	93.5	93.3	-0.3	-0.1
MACHINERY, EXCEPT ELECTRICAL	110.2	109.9	106.0	0.3	4.2
ELECTRIC & ELECTRONIC EQUIPMENT	92.1	92.8	92.6	-0.7	-0.5
TRANSPORTATION EQUIPMENT	60.3	60.3	62.0	0.0	-1.7
INSTRUMENTS AND RELATED PRODUCTS	34.0	33.7	34.2	0.3	-0.2
MISCELLANEOUS MANUFACTURES	20.3	20.5	20.4	-0.2	-0.1
NONDURABLE GOODS INDUSTRIES	450.8	450.6	452.2	0.2	-1.4
FOOD AND KINDRED PRODUCTS	92.2	92.5	92.9	-0.3	-0.7
TOBACCO MANUFACTURES	1.3	1.3	1.3	0.0	0.0
TEXTILE MILL PRODUCTS	30.3	30.5	31.2	-0.2	-0.9
APPAREL AND OTHER TEXTILE PRODS.	81.0	80.5	82.4	0.5	-1.4
PAPER AND ALLIED PRODUCTS	40.6	40.4	40.7	0.2	-0.1
PRINTING AND PUBLISHING	82.1	82.0	82.0	0.1	0.1
CHEMICALS AND ALLIED PRODUCTS	60.8	60.8	60.2	0.0	0.6
PETROLEUM AND COAL PRODUCTS	10.1	10.3	10.1	-0.2	0.0
RUBBER AND PLASTICS PRODUCTS	42.7	42.6	41.1	0.1	1.6
LEATHER AND LEATHER PRODUCTS	9.7	9.7	10.3	0.0	-0.6
---NONMANUFACTURING INDUSTRIES	4063.6	4064.4	3964.8	-0.8	98.8
MINING	29.4	29.8	30.4	-0.4	-1.0
CONTRACT CONSTRUCTION	240.5	250.6	223.4	-10.1	17.1
TRANSPORTATION	145.1	144.7	144.5	0.4	0.6
PUBLIC UTILITIES	104.3	104.6	105.2	-0.3	-0.9
COMMUNICATIONS	49.4	49.7	49.8	-0.3	-0.4
ELECTRIC, GAS AND SANITARY	54.9	54.9	55.4	0.0	-0.5
WHOLESALE TRADE	270.6	270.6	265.4	0.0	5.2
RETAIL TRADE	912.2	898.3	903.4	13.9	8.8
GENERAL MERCHANDISE STORES	138.9	133.8	143.0	5.1	-4.1
FINANCE, INSURANCE AND REAL ESTATE	298.3	298.2	292.0	0.1	6.3
BANKING	87.9	87.5	87.9	0.4	0.0
INSURANCE CARRIERS	89.8	89.9	86.6	-0.1	3.2
SERVICES	1357.2	1359.1	1299.6	-1.9	57.6
BUSINESS SERVICES	242.0	241.7	225.2	0.3	16.8
HEALTH SERVICES	439.9	438.2	423.1	1.7	16.8
--HOSPITALS	240.7	240.0	233.6	0.7	7.1
LEGAL SERVICES	37.8	37.9	37.3	-0.1	0.5
EDUCATIONAL SERVICES	159.5	160.9	156.7	-1.4	2.8
SOCIAL SERVICES	88.5	87.9	83.7	0.6	4.8
MISCELLANEOUS SERVICES	66.7	66.5	62.0	0.2	4.7
OTHER SERVICES	322.8	326.0	311.6	-3.2	11.2
GOVERNMENT	706.0	708.5	700.9	-2.5	5.1
FEDERAL	142.7	142.1	144.7	0.6	-2.0
STATE	154.2	156.7	151.4	-2.5	2.8
LOCAL	409.1	409.7	404.8	-0.6	4.3
---PERSONS IN LABOR-MGMT. DISPUTES	0.8	3.1	1.7	-2.3	-0.9

P/ = Preliminary data.

DECEMBER'S JOB LOSS LESS THAN EXPECTED

The total number of non-farm jobs in Pennsylvania edged downward in December by 4,200 to 5,118,900. This decline was considerably less than the expected loss of 11,000 for a typical December seasonal movement. The State's job producing performance in 1988, as measured by monthly surveys of approximately 14,000 employers, has been exceptional, with December's total the second highest on record, surpassed only by last month's total.

MANUFACTURING EMPLOYMENT UP FROM DECEMBER 1987

Even with the loss of 1,100 in manufacturing since November, factory jobs are up 2,800 from last year.

Durable (hard) goods recorded an increase of 4,200 jobs from one year ago, with robust growth in nonelectrical machinery and primary metal industries.

Nondurable (soft) goods had an over-the-year loss of 1,400 – primarily due to losses in the apparel products and textile mill products industry lines. However, nondurables reflected a modest 200 monthly increase, rather than the expected seasonal loss of more than a thousand workers.

NONMANUFACTURING JOBS DIP SLIGHTLY TO SECOND HIGHEST LEVEL

Nonmanufacturing jobs receded a minimal 800 in December to a second high of 4,063,600. This decline was considerably less than seasonally expected. Currently, nonmanufacturing jobs are a significant 98,800 higher than a year ago.

The services sector, with its present employment of 1,357,200 jobs, contains 33 percent of all nonmanufacturing jobs. Services employment added 57 percent of the 110,700 new jobs within Pennsylvania during the past year.

Contract construction had a less-than-expected drop in December, probably due to the milder weather. A diversity of building projects throughout Pennsylvania added 17,100 jobs over the year to a current total of 240,500.

Retail trade's growth of 13,900 over the month, boosted the industry to an all-time high of 912,200 jobs.

HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS DEC. 1988 P/	AVERAGE WEEKLY EARNINGS NOV. 1988	AVERAGE WEEKLY EARNINGS DEC. 1987	AVERAGE WEEKLY HOURS DEC. 1988 P/	AVERAGE WEEKLY HOURS NOV. 1988	AVERAGE WEEKLY HOURS DEC. 1987	AVERAGE HOURLY EARNINGS DEC. 1988 P/	AVERAGE HOURLY EARNINGS NOV. 1988	AVERAGE HOURLY EARNINGS DEC. 1987
MANUFACTURING INDUSTRIES	$431.14	$434.93	$426.78	41.1	41.7	41.8	$10.49	$10.43	$10.21
DURABLE GOODS	470.82	476.79	467.36	42.0	42.8	42.8	11.21	11.14	10.92
LUMBER AND WOOD PRODUCTS	344.27	353.50	349.16	38.9	40.4	40.6	8.85	8.75	8.60
FURNITURE AND FIXTURES	355.78	362.80	362.61	39.4	40.0	41.3	9.03	9.07	8.78
STONE, CLAY, AND GLASS PRODS.	463.86	480.71	450.40	42.4	43.9	43.1	10.94	10.95	10.45
PRIMARY METALS	560.73	565.43	562.86	43.4	43.9	43.7	12.92	12.88	12.88
FABRICATED METAL PRODUCTS	465.47	474.12	460.94	42.9	43.9	43.2	10.85	10.80	10.67
NONELECTRICAL MACHINERY	495.50	494.60	491.27	43.2	43.5	44.1	11.47	11.37	11.14
ELECTRIC AND ELECTRONIC MACH.	414.12	419.57	428.16	40.8	41.5	42.1	10.15	10.11	10.17
TRANSPORTATION EQUIPMENT	542.98	550.75	525.26	41.8	42.3	42.6	12.99	13.02	12.33
INSTRUMENTS AND RELATED PROD.	443.64	446.01	424.13	41.5	41.8	41.5	10.69	10.67	10.22
MISCELLANEOUS MANUFACTURES	427.18	421.87	402.87	40.3	41.4	40.9	10.60	10.19	9.85
NONDURABLE GOODS	379.45	379.49	374.22	39.9	40.2	40.5	9.51	9.44	9.24
FOOD AND KINDRED PRODUCTS	418.82	422.71	417.74	40.9	41.2	41.9	10.24	10.26	9.97
TOBACCO PRODUCTS	258.96	259.79	256.01	40.4	41.7	41.9	6.41	6.23	6.11
TEXTILE PRODUCTS	287.51	294.33	279.82	38.8	40.1	36.3	7.41	7.34	7.12
APPAREL AND RELATED PRODUCTS	225.36	228.06	218.68	35.6	36.2	35.5	6.33	6.30	6.16
PAPER PRODUCTS	490.31	482.02	482.13	43.7	43.9	44.6	11.22	10.98	10.81
PRINTING AND PUBLISHING	446.12	444.61	444.31	40.3	40.2	40.8	11.07	11.06	10.89
CHEMICALS AND ALLIED PRODUCTS	548.49	540.47	539.39	43.6	43.1	44.8	12.58	12.54	12.04
PETROLEUM AND COAL PRODUCTS	630.87	604.04	603.94	42.8	42.3	43.2	14.74	14.28	13.98
RUBBER AND PLASTICS PRODUCTS	381.14	381.29	387.43	41.7	41.9	43.0	9.14	9.10	9.01
LEATHER PRODUCTS	242.54	241.80	228.82	37.2	37.2	38.2	6.52	6.50	5.99
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	454.58	457.07	432.98	37.2	37.1	36.8	12.22	12.32	11.83
BIT. COAL & LIGNITE MINING	650.83	646.57	654.06	41.8	41.0	41.9	15.57	15.77	15.61
COMMUNICATIONS	533.87	539.35	521.75	39.4	39.6	39.2	13.55	13.62	13.31
ELECTRIC, GAS, & SANITARY	669.94	674.78	656.41	43.0	43.2	43.1	15.58	15.62	15.23
GENERAL MERCHANDISE STORES	189.86	182.82	187.47	29.3	28.3	29.9	6.48	6.46	6.27

P/ Preliminary data.

HOURLY EARNINGS RISE IN DECEMBER

A $.06 an hour increase in average hourly earnings for all manufacturing workers was was not enough to offset the 0.6 of an hour drop in hours worked, leaving workers with a few dollars less in their December paychecks. Average weekly earnings of $431.13 were down $3.79 per week from November. Average hours worked are holding steady at a fraction above 41 per week. In the durable goods sector, primary metal and nonelectrical machinery workers averaged 43.4 and 43.2 hours, respectively. The highest average weekly wages in durable goods were paid to production workers in primary metals ($560.73). In nondurable goods, paper products and chemical and allied products workers put in 43.7 and 43.6 hour workweeks. Petroleum and coal products workers had the largest paychecks in this sector ($630.87). These workers had the highest monhly increases in hourly (+$.46) and weekly earnings (+$26.83) along with an increase of 0.5 hours worked.

In nonmanufacturing, electric, gas and sanitary services workers had the highest average weekly earnings overall ($669.94). Their workweek averaged 43.0 hours with average hourly earnings of $15.58. Bituminous coal and lignite mining workers followed, with weekly earnings of $650.83 for a 41.8 hour workweek and hourly earnings of $15.57.

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	DECEMBER 1988	NOVEMBER 1988	DECEMBER 1987	NET CHANGE FROM NOV. 88	DEC. 87
CLAIMS ACTIVITY					
Initial Claims	124,392	81,982	133,414	42,410	-9,022
Weeks Claimed	499,960	437,123	573,477	62,837	-73,517
---Average Weekly Volume	113,627	99,346	124,669	14,281	-11,042
Insured Unemployed Rate	2.4%	2.1%	2.7%	0.3	-0.3
PAYMENT ACTIVITY					
First Payments	33,747	24,851	36,789	8,896	-3,042
Final Payments	6,746	6,014	7,915	732	-1,169
Weeks Paid	450,441	359,952	493,739	90,489	-43,298
Net Benefit Amount	$69,591,740	$54,571,940	$72,714,218	$15,019,800	-$3,122,478
Avg. Check Amount	$154.50	$151.61	$147.27	$2.89	$7.23

Lowest December Claims Totals Since 1969

Claims activity during December underwent a seasonal end of the year upturn. Initial claims jumped by 52 percent, and weeks claimed by 14 percent between November and December. Despite these over-the-month increases, the December 1988 totals for both weeks claimed and initial claims were the lowest on record for the month in 19 years. As a result of the seasonal increase in claims, the insured unemployment rate in December climbed to 2.4 percent, the highest rate since April.

Cash reserves by the end of December slipped to $1,164 million as disbursements during the month exceeded income by $62 million. The net benefit amount for December rose by 28 percent from a month ago, fueled by a 25 percent gain in weeks paid and a two percent gain in the average check amount. December's average check amount of $154.50 ranks second behind March 1988's $155.69.

UNEMPLOYMENT COMPENSATION TRUST FUND - DECEMBER 1988

Income	$ 7,339,190
Disbursements	$ 69,596,313

Cash Reserves	$ 1,163,902,363
Federal Loans	0
Net Reserves	$ 1,163,902,363

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

PENNSYLVANIA COUNTIES MAINTAIN SINGLE DIGIT RATES

For the third time in 1988, all Pennsylvania counties experienced unadjusted unemployment rates less than 10.0 percent. In December, Chester County ranked first again with a rate of 2.2 percent, however, Greene County moved up one rank from the highest level to 8.7 percent, surpassed by Fulton County with a rate of 9.3 percent. Pike County dropped its rate by 1.3 percentage points, while Snyder County's rate jumped up 3.0 percentage points from November rates.

Of the thirty counties that recorded unemployment rates of 5.0 percent or less, twenty were in eastern Pennsylvania and ten were in western Pennsylvania. Unadjusted rates of 7.0 percent or more were manifested by ten counties in the western half of the State and by two counties in the eastern half.

Four of the five counties with unemployment rates less than 3.0 percent were in the Philadelphia Labor Market Area.

DECEMBER RATE
OF UNEMPLOYMENT

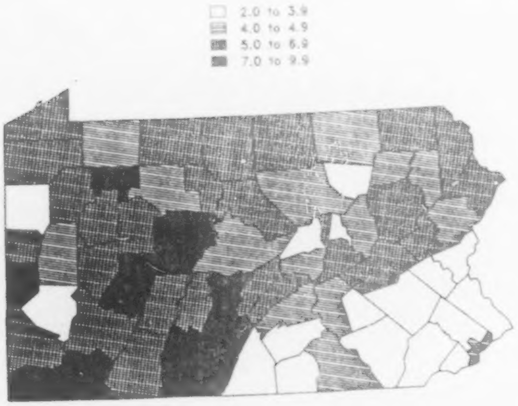

TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
DECEMBER - 1988

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.2	4200
Montgomery	2	2.3	9100
Bucks	3	2.6	7700
Delaware	3	2.6	7800
Cumberland	5	2.7	2800
Lancaster	6	3.2	7000
Lebanon	6	3.2	2000
Franklin	8	3.3	1800
Adams	9	3.4	1300
Dauphin	10	3.6	4700
Lehigh	10	3.6	5300
Allegheny	12	3.7	23700
Pike	12	3.7	400
Northampton	14	3.8	4300
Mercer	15	4.0	2000
Monroe	15	4.0	1700
York	15	4.0	7200
Berks	18	4.1	7500
Perry	18	4.1	800
Bradford	20	4.2	1300
Montour	20	4.2	300
Elk	22	4.4	700
Philadelphia	23	4.5	33400
Lackawanna	24	4.6	5000
Union	24	4.6	800
Warren	24	4.6	1000
Butler	27	4.7	3300
Centre	27	4.7	3000
Erie	27	4.7	6000
Washington	30	5.0	4500
Susquehanna	31	5.2	900
Lawrence	32	5.3	2300
Lycoming	32	5.3	3300
Tioga	32	5.3	900
McKean	35	5.4	1100
Venango	35	5.4	1400
Carbon	37	5.5	1400
Cambria	38	5.6	3400
Columbia	38	5.6	1800
Potter	38	5.6	400
Wyoming	38	5.6	700
Crawford	42	5.7	2100
Schuylkill	42	5.7	4100
Luzerne	44	5.8	9200
Wayne	44	5.8	1100
Blair	46	5.9	3600
Sullivan	47	6.0	200
Cameron	48	6.1	200
Jefferson	48	6.1	1200
Mifflin	50	6.2	1300
Westmoreland	50	6.2	10600
Clarion	52	6.8	1200
Armstrong	53	6.9	1900
Beaver	53	6.9	4300
Northumberland	53	6.9	3300
Bedford	56	7.0	1500
Clinton	56	7.0	1000
Somerset	58	7.1	2200
Snyder	59	7.2	1300
Huntingdon	60	7.8	1400
Indiana	60	7.8	2700
Juniata	62	7.9	800
Clearfield	63	8.1	2700
Fayette	64	8.3	4800
Forest	64	8.3	200
Greene	66	8.7	1100
Fulton	67	9.3	500

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	DECEMBER 1988 * UNEMPLOYMENT NUMBER AND RATE%		NOVEMBER 1988 UNEMPLOYMENT NUMBER AND RATE%		DECEMBER 1987 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6554	5.3	6563	5.4	6978	5.8
PENNSYLVANIA	273	4.7	269	4.7	323	5.6
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	13.1	4.0	12.5	3.9	17.0	5.2
ALTOONA	3.7	6.1	3.7	6.2	4.8	7.9
BEAVER COUNTY PMSA	5.0	7.9	4.7	7.5	6.2	9.8
ERIE MSA	6.7	5.2	6.9	5.4	8.8	6.8
HARRISBURG-LEB-CARLISLE MSA	12.5	3.9	12.0	3.8	13.1	4.1
JOHNSTOWN MSA	5.9	6.2	6.3	6.7	8.0	8.3
LANCASTER MSA	7.6	3.5	6.3	2.9	8.3	3.8
PHILADELPHIA PMSA	97.6	4.0	95.2	3.9	107.6	4.4
PITTSBURGH PMSA	49.4	5.2	49.5	5.2	63.4	6.6
READING MSA	8.4	4.6	7.2	4.0	8.7	5.0
SCRANTON--WILKES-BARRE MSA	19.3	5.4	19.8	5.6	23.0	6.5
SHARON MSA	2.3	4.4	2.2	4.3	3.1	6.2
STATE COLLEGE MSA	2.9	4.6	2.7	4.3	3.5	5.7
WILLIAMSPORT MSA	3.3	5.3	2.9	4.7	3.7	6.1
YORK MSA	9.8	4.4	8.7	4.0	10.0	4.6

* Preliminary data.

UNEMPLOYMENT RATES HOLD STEADY IN LABOR MARKET AREAS

In December, seasonally adjusted unemployment rates for the fifteen labor market areas displayed little change from last month. The rates ranged from a low of 3.5 percent in the Lancaster MSA to a high of 7.9 percent in the Beaver County PMSA. Johnstown MSA recorded the greatest percentage point decline from both month-ago (-0.5) and year-ago (-2.1) levels. Johnstown's adjusted rate of 6.2 was the second highest among the MSAs.

Although ten of the major labor market areas increased their adjusted rates in December, none of the increases were greater than 0.6 percentage point. The rate and volume of unemployment declined in all areas from December 1987.

With the exception of Sharon MSA and State College MSA, rates less than 5.0 percent were all recorded by MSAs in the eastern half of Pennsylvania.

SERVICE DELIVERY AREAS

Unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.2 percent for SDA 21, to 6.9 percent for SDA 05 (see table 7 on the next page).

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
DECEMBER 1988 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	128.4	122.4	6.0	4.7
02	Clarion, Crawford, Forest, Venango, Warren	102.6	96.9	5.8	5.6
03	City of Pittsburgh	169.6	162.9	6.7	3.9
04	Allegheny County minus City of Pittsburgh	464.8	447.8	17.1	3.7
05	Beaver	62.3	58.0	4.3	6.9
06	Armstrong, Butler, Indiana	131.9	124.0	7.9	6.0
07	Fayette, Westmoreland	227.7	212.3	15.4	6.8
08	Greene, Washington	103.0	97.4	5.7	5.5
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	101.2	94.9	6.4	6.3
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	199.6	186.9	12.7	6.4
11	Centre, Clinton, Lycoming, Mifflin	160.1	151.6	8.6	5.3
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	131.6	123.4	8.2	6.3
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	81.9	77.8	4.1	5.0
14	Lackawanna	108.6	103.7	5.0	4.6
15	Carbon, Monroe, Pike, Wayne	98.1	93.5	4.6	4.7
16	Luzerne, Schuylkill	231.6	218.4	13.3	5.7
17	Philadelphia	743.9	710.5	33.4	4.5
18	Bucks	292.9	285.2	7.7	2.6
19	Montgomery	388.0	378.9	9.1	2.3
20	Delaware	299.4	291.6	7.8	2.6
21	Chester	189.7	185.5	4.2	2.2
22	Lehigh, Northampton	260.8	251.2	9.6	3.7
23	Berks	181.9	174.4	7.5	4.1
24	Cumberland, Dauphin, Lebanon, Perry	318.1	307.8	10.3	3.2
25	Lancaster	218.9	211.9	7.0	3.2
26	York	181.5	174.3	7.2	4.0
27	Adams, Franklin	92.9	89.8	3.1	3.3
28	Lawrence, Mercer	94.3	90.0	4.3	4.6
	PENNSYLVANIA - TOTAL	5806.0	5562.0	244.0	4.2

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by number of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

YORK MSA
WILLIAMSPORT MSA
STATE COLLEGE MSA
SHARON MSA
SCRANTON - WILKES-BARRE MSA
READING MSA
PITTSBURGH PMSA
PHILADELPHIA PMSA
LANCASTER MSA
JOHNSTOWN MSA
HARRISBURG-LEBANON-CARLISLE MSA
ERIE MSA
BEAVER COUNTY PMSA
ALTOONA MSA
ALLENTOWN-BETHLEHEM MSA

PENNSYLVANIA'S
LABOR FORCE

.... A Monthly Statistical Analysis

Highlights

- February's seasonally adjusted unemployment rate of 4.3 percent was unchanged from January.
- Employment slipped under the five million mark in January.
- Increase in service industries employment was more than double seasonal expectations.
- Hourly earnings and hours worked dropped slightly.
- Weeks claimed were up sharply in January.
- Unadjusted unemployment rates for most counties were up in January.
- January seasonally adjusted rates dropped in all but one labor market area.

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Pennsylvania's Service Delivery Areas.........................8

ISSUED: MARCH 1989

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry

Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis is published monthly by the Bureau of Research and Statistics. Focusing on economic information and analysis, the publication is intended for a variety of users from business leaders, government administrators and planners to the general public.

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ANNOUNCING

...NOTE TO FORMER "BRIEFING PACKAGE" RECIPIENTS

Beginning with this issue, you have been placed on our mailing list to receive our labor market news publication entitled "Pennsylvania's Labor Force....A Monthly Statistical Analysis." This booklet replaces our public release of the "Briefing Package" report. We hope you will find the information which follows interesting and useful. Look for it each month.

...REVISED FIGURES

Each year with the release of January estimates of nonagricultural wage and salary jobs in Pennsylvania, previously reported data undergo annual revisions. These estimates were obtained from a survey of business establishments conducted each month by the State Dept. of Labor & Industry for the U. S. Department of Labor. Revised estimates reflect adjustments based on more complete counts (benchmarks) of employment reported by employers for the first quarter of 1988.

Beginning with this release the data have been revised to first quarter 1988 benchmarks and are, therefore, not strictly comparable to figures published prior to March 1989.

CURRENT LABOR FORCE SITUATION

UNEMPLOYMENT RATE UNCHANGED FROM JANUARY'S 4.3 PERCENT

Pennsylvania's labor force was virtually unchanged in February, holding close to the record-setting levels achieved in January. Both employment and unemployment, seasonally adjusted, showed negligible declines, leaving the statewide rate of unemployment unchanged from January's rate of 4.3 percent, the lowest level in nearly fifteen years.

Data made available through the Current Population Survey (CPS) of households and released by the Bureau of Labor Statistics (BLS), show February seasonally adjusted employment in Pennsylvania at 5,679,000, down 10,000 from January's record high of 5,689,000. February's employment was 132,000 above the highest level reached during 1988, and was 192,000 above the one year ago February figure.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

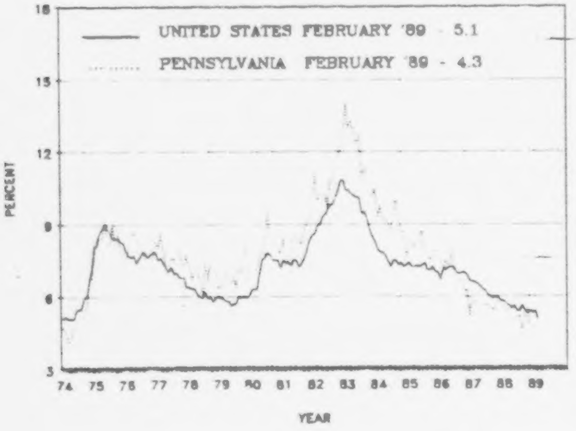

TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	FEB. 1989	JAN. 1989	FEB. 1988	NET CHANGE FROM JAN. 1989	NET CHANGE FROM FEB. 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,932	5,947	5,793	-15	139
Employment	5,679	5,689	5,487	-10	192
Unemployment	253	258	306	-5	-53
Rate of Unemployment (%)	4.3	4.3	5.3	0.0	-1.0
UNADJUSTED DATA					
Civilian Labor Force	5,814	5,884	5,672	-70	142
Employment	5,533	5,592	5,337	-59	196
Unemployment	281	292	335	-11	-54
Rate of Unemployment (%)	4.8	5.0	5.9	-0.2	-1.1

Pennsylvania's employment growth during the past year, up 3.5 percent from February 1988, outstripped the annual gain of 2.3 percent nationwide. It was a major accomplishment for Pennsylvania considering the very low state population growth compared to a much more rapidly expanding working age population nationwide.

Unemployment, seasonally adjusted, edged down 5,000 to 253,000 in February. This small decline failed to lower the statewide rate of unemployment which held at January's rate of 4.3 percent, seasonally adjusted. The January and February rates were the lowest since April 1974, when the rate was also 4.3 percent. Compared with one year ago, the February rate was down from 5.3 percent representing 53,000 fewer jobless workers.

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	FEB. 1989 AP/	JAN. 1989 P/	DEC. 1988	JAN. 1988	NET CHANGE TO JAN. 1989 FROM: DEC. 1988	NET CHANGE TO JAN. 1989 FROM: JAN. 1988
NONAG. WAGE AND SALARY	5002.2	4993.9	5107.6	4893.4	-113.7	100.5
---MANUFACTURING INDUSTRIES	1053.7	1054.7	1059.5	1045.8	-4.8	8.9
DURABLE GOODS INDUSTRIES	600.6	601.7	605.5	596.1	-3.8	5.6
LUMBER AND WOOD PRODUCTS		30.3	31.1	29.6	-0.8	0.7
FURNITURE AND FIXTURES		21.4	21.7	22.2	-0.3	-0.8
STONE, CLAY, AND GLASS PRODUCTS		46.0	47.5	45.7	-1.5	0.3
PRIMARY METAL INDUSTRIES		92.1	91.8	89.7	0.3	2.4
FABRICATED METAL PRODUCTS		92.7	92.5	91.2	0.2	1.5
MACHINERY, EXCEPT ELECTRICAL		110.1	109.8	105.9	0.3	4.2
ELECTRIC & ELECTRONIC EQUIPMENT		91.2	92.2	92.4	-1.0	-1.2
TRANSPORTATION EQUIPMENT		61.1	61.7	62.3	-0.6	-1.2
INSTRUMENTS AND RELATED PRODUCTS		36.3	36.5	36.4	-0.2	-0.1
MISCELLANEOUS MANUFACTURES		20.5	20.7	20.7	-0.2	-0.2
NONDURABLE GOODS INDUSTRIES	453.1	453.0	454.0	449.7	-1.0	3.3
FOOD AND KINDRED PRODUCTS		91.8	93.0	91.1	-1.2	0.7
TOBACCO MANUFACTURES		1.2	1.2	1.2	0.0	0.0
TEXTILE MILL PRODUCTS		30.6	30.7	30.6	-0.1	0.0
APPAREL AND OTHER TEXTILE PRODS		83.1	82.6	84.3	0.5	-1.2
PAPER AND ALLIED PRODUCTS		41.6	41.6	41.5	0.0	0.1
PRINTING AND PUBLISHING		83.8	84.0	81.9	-0.2	1.9
CHEMICALS AND ALLIED PRODUCTS		60.0	59.8	58.7	0.2	1.3
PETROLEUM AND COAL PRODUCTS		10.1	10.3	9.9	-0.2	0.2
RUBBER AND PLASTICS PRODUCTS		40.4	40.5	39.7	-0.1	0.7
LEATHER AND LEATHER PRODUCTS		10.4	10.3	10.8	0.1	-0.4
---NONMANUFACTURING INDUSTRIES	3947.6	3939.0	4047.3	3845.8	-108.3	93.2
MINING	27.4	27.9	28.7	29.2	-0.8	-1.3
CONTRACT CONSTRUCTION	207.3	211.8	234.6	195.8	-22.8	16.0
TRANSPORTATION	149.4	147.9	152.4	144.4	-4.5	3.5
PUBLIC UTILITIES	103.3	103.7	103.8	104.8	-0.1	-1.1
COMMUNICATIONS		49.4	49.6	49.8	-0.2	-0.4
ELECTRIC, GAS AND SANITARY		54.3	54.2	55.0	0.1	-0.7
WHOLESALE TRADE	269.8	270.1	272.7	264.7	-2.6	5.4
RETAIL TRADE	858.6	870.8	912.1	858.2	-41.3	12.6
GENERAL MERCHANDISE STORES		131.2	142.9	131.1	-11.7	0.1
FINANCE, INSURANCE AND REAL ESTATE	291.6	291.8	293.1	288.6	-1.3	3.2
BANKING		87.6	87.1	87.2	0.5	0.4
INSURANCE CARRIERS		85.1	85.4	83.4	-0.3	1.7
SERVICES	1339.3	1325.0	1345.0	1274.1	-20.0	50.9
BUSINESS SERVICES		233.6	236.1	219.5	-2.5	14.1
HEALTH SERVICES		437.8	437.4	422.8	0.4	15.0
--HOSPITALS		240.3	239.2	233.8	1.1	6.5
LEGAL SERVICES		38.6	38.5	36.8	0.1	1.8
EDUCATIONAL SERVICES		151.0	158.1	147.2	-7.1	3.8
SOCIAL SERVICES		90.5	91.0	86.4	-0.5	4.1
MISCELLANEOUS SERVICES		65.4	65.3	60.9	0.1	4.5
OTHER SERVICES		308.1	318.6	300.5	-10.5	7.6
GOVERNMENT	700.9	690.0	704.9	686.0	-14.9	4.0
FEDERAL		138.6	139.3	141.3	-0.7	-2.7
STATE		151.4	158.8	150.2	-7.4	1.2
LOCAL		400.0	406.8	394.5	-6.8	5.5
---PERSONS IN LABOR-MGMT. DISPUTES	0.9	0.2	0.8	1.8	-0.6	-1.6

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

NONAGRICULTURAL EMPLOYMENT RISES IN FEBRUARY

According to advance preliminary figures, Pennsylvania's total nonagricultural establishment employment rose by 8,300 since January, instead of dropping its normal 1,400.

An increase of 8,600 in nonmanufacturing instead of the typical decline for this period, brought employment to a level of 5,002,200. The growth was mostly due to an increase of 14,300 jobs in service industries, which was more than double the seasonal norm. All nonmanufacturing industries had a better-than-expected performance for the month with the exception of government, which was expected to gain another 4,000 jobs. A reduced level of highway snow removal throughout the State was probably responsible for much of this difference.

The monthly loss in manufacturing was slightly more than expected, as nondurable goods employment failed to rebound from its usual January low.

EMPLOYMENT SLIPS UNDER FIVE MILLION IN JANUARY

Nonagricultural establishment employment in January fell below five million for the first time since March 1988. In typical fashion, employment levels in Pennsylvania's businesses and factories dropped sharply. With the end of many temporary holiday sales jobs in retail trade and the effect of winter weather on construction activity, nonfarm jobs declined by 113,700 since December. However, the loss was less than seasonally expected.

Both manufacturing and nonmanufacturing resisted the job loss numbers of a typical January. Within manufacturing, the durable and nondurable goods sectors were both down less than normal for this time of year. Manufacturing jobs were down 4,800 since December, significantly better than the typical 10,500 loss for this period. Over the year, manufacturing jobs rose statewide by 8,900, a necessary occurrence for the Commonwealth to sustain economic growth.

Within nonmanufacturing, January's job level of 3,939,000 was 108,300 below December's count. This was less of a setback than normal due to subdued declines in trade and government.

Construction employment displayed its usual January drop, falling by 22,800 to a job total of 211,800. Compared to January 1988, however, employment was up 16,000.

Service industries recorded normal seasonal job losses for the month, with educational services, business services, hotel, and amusement services contributing to the decline. Despite the monthly drop, employment in services was up 50,900 from one year ago.

HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS
OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS

(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JAN. 1989 P/	DEC. 1988	JAN. 1988	JAN. 1989 P/	DEC. 1988	JAN. 1988	JAN. 1989 P/	DEC. 1988	JAN. 1988
MANUFACTURING INDUSTRIES	$426.59	$430.32	$415.95	40.9	41.1	40.9	$10.43	$10.47	$10.17
DURABLE GOODS	467.88	469.98	456.12	42.0	42.0	42.0	11.14	11.19	10.86
LUMBER AND WOOD PRODUCTS	341.43	340.56	342.45	39.2	38.7	40.1	8.71	8.80	8.54
FURNITURE AND FIXTURES	363.88	362.58	345.64	39.9	39.8	39.1	9.12	9.11	8.84
STONE, CLAY, AND GLASS PRODS.	469.27	463.19	441.00	42.7	42.3	42.0	10.99	10.95	10.50
PRIMARY METALS	559.80	565.87	541.45	43.7	43.9	42.6	12.81	12.89	12.71
FABRICATED METAL PRODUCTS	453.88	458.15	449.63	42.3	42.5	42.7	10.73	10.78	10.53
NONELECTRICAL MACHINERY	496.93	496.37	479.70	43.4	43.2	43.1	11.45	11.49	11.13
ELECTRIC AND ELECTRONIC MACH.	413.30	414.32	426.72	40.8	40.9	42.0	10.13	10.13	10.16
TRANSPORTATION EQUIPMENT	536.32	540.09	521.90	41.9	41.9	42.5	12.80	12.89	12.28
INSTRUMENTS AND RELATED PROD.	438.70	445.71	422.50	41.0	41.5	41.3	10.70	10.74	10.23
MISCELLANEOUS MANUFACTURES	415.51	404.54	355.42	39.8	38.2	37.1	10.44	10.59	9.58
NONDURABLE GOODS	373.28	378.65	363.27	39.5	39.9	39.4	9.45	9.49	9.22
FOOD AND KINDRED PRODUCTS	418.18	419.84	403.97	40.6	41.0	40.6	10.30	10.24	9.95
TOBACCO PRODUCTS	273.92	257.68	240.77	42.6	40.2	39.6	6.43	6.41	6.08
TEXTILE PRODUCTS	289.59	289.59	276.19	39.4	39.4	38.2	7.35	7.35	7.23
APPAREL AND RELATED PRODUCTS	226.98	224.16	215.49	35.3	35.3	34.7	6.43	6.35	6.21
PAPER PRODUCTS	473.47	488.32	472.16	43.2	43.6	43.8	10.96	11.20	10.78
PRINTING AND PUBLISHING	424.86	444.00	431.94	38.8	40.4	39.7	10.95	10.99	10.88
CHEMICALS AND ALLIED PRODUCTS	541.58	555.59	522.37	43.5	44.2	43.1	12.45	12.57	12.12
PETROLEUM AND COAL PRODUCTS	595.30	638.24	590.66	41.6	43.3	42.1	14.31	14.74	14.03
RUBBER AND PLASTICS PRODUCTS	382.13	377.15	376.32	41.9	41.4	42.0	9.12	9.11	8.96
LEATHER PRODUCTS	244.22	243.94	223.05	37.4	37.3	37.3	6.53	6.54	5.98
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	453.83	454.58	443.12	37.6	37.2	37.3	12.07	12.22	11.88
BIT. COAL & LIGNITE MINING	688.84	661.50	645.33	42.6	42.0	41.5	16.17	15.75	15.55
COMMUNICATIONS	541.33	534.26	525.60	39.6	39.4	39.4	13.67	13.56	13.34
ELECTRIC, GAS, & SANITARY	670.82	669.24	659.66	42.7	42.9	43.2	15.71	15.60	15.27
GENERAL MERCHANDISE STORES	166.66	198.69	164.47	26.0	30.9	26.4	6.41	6.43	6.23

P/ Preliminary data.

HOURLY EARNINGS AND HOURS WORKED DROP SLIGHTLY

In January, average weekly earnings of $426.59 for Pennsylvania's manufacturing production workers were $3.73 less than last months. This was caused by a slightly shorter workweek (-0.2 hour) and a decrease of $.04 an hour in wages. However, paychecks were still $10.64 more than a year ago for the equivalent hours worked of 40.9.

In the durable goods sector, hours worked paralleled the month-ago and year-ago level of 42.0. Primary metals workers received the largest paychecks ($559.80) and worked the most hours (43.7) during January. Their hourly wages of $12.81 were followed closely by $12.80 an hour paid to transportation equipment workers. Workers in petroleum and coal products industries were the higest paid in the nondurable goods group, even with a loss of $.43 an hour and a 1.7 hour shorter workweek from a month ago.

In nonmanufacturing, electric, gas and sanitary workers received the highest wages and worked the most hours. They had increases in hourly and weekly earnings, and hours worked from both month-ago and year-ago levels. There were decreases across-the-board for workers in general merchandise stores. This was due to a sharp cutback in average weekly hours following the Christmas shopping season.

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	JANUARY 1989	DECEMBER 1988	JANUARY 1988	NET CHANGE FROM DEC. 88	NET CHANGE FROM JAN. 88
CLAIMS ACTIVITY					
Initial Claims	132,682	124,392	143,595	8,290	-10,913
Weeks Claimed	720,982	499,960	670,367	221,022	50,615
—Average Weekly Volume	163,860	113,627	159,611	50,233	4,249
Insured Unemployed Rate	3.5%	2.4%	3.5%	1.1	0.0
PAYMENT ACTIVITY					
First Payments	66,862	33,747	68,437	33,115	-1,575
Final Payments	8,482	6,746	7,926	1,736	556
Weeks Paid	556,480	450,441	564,425	106,039	-7,945
Net Benefit Amount	$90,742,543	$69,591,740	$84,803,799	$21,150,803	$5,938,744
Avg. Check Amount	$163.07	$154.50	$150.25	$8.57	$12.82

WEEKS CLAIMED UP SHARPLY IN JANUARY

Although the number of initial claims moved upward by 7 percent between December and January, the January total of 132,682 is 8 percent below a year ago and the lowest for the month since 1973. By contrast, weeks claimed in January jumped by a substantial 44 percent from a month ago. The size of this increase in weeks claimed was forged by over-the-month gains in initial claims of 52 percent in December and 28 percent in November. As a result, weeks claimed in January were 50,615 or 8 percent above a year ago, which is the second time in the last three months that the weeks claimed total topped the previous year's mark.

The average check amount for January was a record $163.07, exceeding the previous high by $7.38. The upsurge in the average check amount can be largely traced to the elimination of the 5 percent benefit reduction (a provision of the 1983 Amendments to the Unemployment Compensation Law) as of January 1, 1989.

UNEMPLOYMENT COMPENSATION TRUST FUND - JANAUARY 1989

Income	$ 30,045,376	Cash Reserves	$ 1,103,220,049
Disbursements	$ 90,727,690	Federal Loans	0
		Net Reserves	$ 1,103,220,049

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

JANUARY UNADJUSTED RATES FOR MOST COUNTIES INCREASED FROM MONTH-AGO LEVELS

Unadjusted rates for sixty-four counties increased by 0.1 to 2.8 percentage points. Only three counties had declines since December 1988: Sullivan (-1.2), Northumberland (-0.4), and Snyder (-0.4). This was to be expected since Pennsylvania's unadjusted rate went up 0.8 percentage point to its January rate of 5.0, as cutbacks in trade, construction, and other seasonal industries reduced employment.

Juniata, Huntingdon, Indiana, and Forest counties recorded double-digit unemployment rates. Of the twenty-two counties with rates less than the State, nineteen were in the Eastern half, two were in the West and one was in the Central portion of the State.

JANUARY RATE OF UNEMPLOYMENT

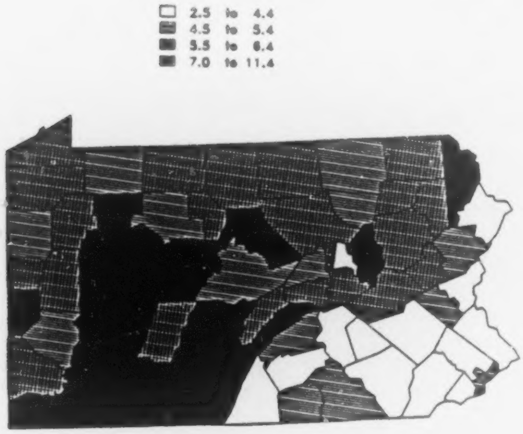

TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
JANUARY - 1989

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.8	5500
Montgomery	2	2.9	11400
Cumberland	3	3.0	3300
Delaware	4	3.2	9800
Bucks	5	3.3	10000
Lancaster	6	3.5	7700
Lebanon	7	3.8	2400
Franklin	8	3.9	2200
Dauphin	9	4.1	5500
Pike	9	4.1	500
Northampton	11	4.2	4900
Berks	12	4.3	7600
Montour	12	4.3	400
Allegheny	14	4.5	28900
Lehigh	14	4.5	6700
York	14	4.5	8400
Adams	17	4.6	1900
Bradford	17	4.6	1500
Monroe	17	4.6	2100
Union	20	4.7	800
Mercer	21	4.8	2400
Sullivan	21	4.8	100
Warren	23	5.1	1100
Elk	24	5.2	900
Perry	24	5.2	1100
Philadelphia	24	5.2	38600
Centre	27	5.3	3300
Erie	28	5.5	7400
Lackawanna	28	5.5	6100
Butler	30	5.6	4100
Tioga	31	6.0	1100
Lawrence	32	6.1	2900
Washington	32	6.1	5600
Cameron	34	6.2	200
Mifflin	34	6.2	1300
Lycoming	36	6.4	3900
McKean	36	6.4	1300
Susquehanna	36	6.4	1200
Venango	36	6.4	1700
Carbon	40	6.5	1700
Luzerne	41	6.6	10700
Northumberland	41	6.6	3300
Snyder	41	6.6	1300
Potter	44	6.7	500
Schuylkill	44	6.7	4900
Crawford	46	6.8	2700
Cambria	47	6.9	4400
Wyoming	47	6.9	900
Wayne	49	7.1	1400
Westmoreland	50	7.3	12800
Blair	51	7.4	4400
Columbia	52	7.5	2400
Clinton	53	8.0	1200
Jefferson	54	8.5	1800
Bedford	55	8.6	1900
Beaver	56	8.7	5200
Somerset	56	8.7	2900
Clarion	58	8.8	1500
Armstrong	59	8.9	2600
Fulton	60	9.2	600
Greene	61	9.4	1300
Clearfield	62	9.6	3400
Fayette	62	9.6	5700
Juniata	64	10.4	1100
Huntingdon	65	10.5	2000
Indiana	65	10.5	3700
Forest	67	10.7	200

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA

(Seasonally adjusted, number in thousands)

AREA	JANUARY 1989 * UNEMPLOYMENT NUMBER AND RATE%		DECEMBER 1988 UNEMPLOYMENT NUMBER AND RATE%		JANUARY 1988 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6716	5.4	6554	5.3	6980	5.8
PENNSYLVANIA	258	4.3	273	4.7	325	5.6
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	13.0	3.9	13.2	4.0	17.0	5.2
ALTOONA MSA	3.6	5.9	3.6	6.0	4.3	7.1
BEAVER COUNTY PMSA	4.6	7.7	5.0	8.4	5.9	9.6
ERIE MSA	6.6	4.9	6.7	5.1	8.9	6.8
HARRISBURG-LEB-CARLISLE MSA	10.3	3.1	12.5	3.9	12.7	4.0
JOHNSTOWN MSA	5.7	5.8	5.9	6.2	7.7	8.1
LANCASTER MSA	7.0	3.1	7.7	3.5	8.6	3.9
PHILADELPHIA PMSA	95.0	3.8	98.3	4.0	106.9	4.4
PITTSBURGH PMSA	45.7	4.6	50.1	5.2	63.5	6.5
READING MSA	6.9	3.9	8.4	4.7	8.5	4.9
SCRANTON--WILKES-BARRE MSA	19.5	5.3	19.3	5.4	24.0	6.7
SHARON MSA	2.0	3.9	2.3	4.5	2.6	5.3
STATE COLLEGE MSA	3.0	4.7	2.9	4.6	3.4	5.4
WILLIAMSPORT MSA	3.2	5.2	3.2	5.4	3.4	5.7
YORK MSA	8.6	3.8	10.1	4.5	9.8	4.5

* Preliminary data.

RATES DROP IN ALL BUT ONE LABOR MARKET AREA

Seasonally adjusted unemployment rates dropped in all but one labor market area during January. The increase was a modest 0.1 percentage point in State College MSA. All fifteen areas recorded rates less than a year ago. Lancaster MSA and Harrisburg-Lebanon-Carlisle MSA had the lowest rate (3.1), while Beaver County PMSA continued to display the highest rate (7.7); however, this rate was 0.7 percentage point less than a month ago. The rates for seven labor market areas were lower than Pennsylvania's rate of 4.3 percent, while the remaining eight were higher.

SERVICE DELIVERY AREAS

Unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.8 for SDA 21 to 8.7 for SDA 05. All SDAs recorded increases from December ranging from 0.1 to 1.7 percentage points.

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
JANUARY 1989 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	133.7	126.3	7.4	5.5
02	Clarion, Crawford, Forest, Venango, Warren	106.1	98.9	7.2	6.7
03	City of Pittsburgh	173.4	165.3	8.2	4.7
04	Allegheny County minus City of Pittsburgh	475.0	454.3	20.7	4.4
05	Beaver	60.1	54.9	5.2	8.7
06	Armstrong, Butler, Indiana	137.0	126.7	10.4	7.6
07	Fayette, Westmoreland	234.0	215.6	18.4	7.9
08	Greene, Washington	105.7	98.9	6.9	6.5
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	105.5	97.3	8.1	7.7
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	204.0	187.9	16.2	7.9
11	Centre, Clinton, Lycoming, Mifflin	160.7	150.9	9.8	6.1
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	137.6	128.4	9.2	6.7
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	84.8	80.0	4.8	5.7
14	Lackawanna	110.8	104.7	6.1	5.5
15	Carbon, Monroe, Pike, Wayne	103.1	97.4	5.7	5.5
16	Luzerne, Schuylkill	236.5	220.9	15.6	6.6
17	Philadelphia	749.6	711.0	38.6	5.2
18	Bucks	300.4	290.4	10.0	3.3
19	Montgomery	394.6	383.2	11.4	2.9
20	Delaware	303.8	294.0	9.8	3.2
21	Chester	195.1	189.6	5.5	2.8
22	Lehigh, Northampton	266.4	254.8	11.6	4.3
23	Berks	178.1	170.4	7.6	4.3
24	Cumberland, Dauphin, Lebanon, Perry	325.6	313.3	12.3	3.8
25	Lancaster	222.3	214.6	7.7	3.5
26	York	186.0	177.6	8.4	4.5
27	Adams, Franklin	96.0	92.0	4.0	4.2
28	Lawrence, Mercer	98.3	93.0	5.3	5.4
	PENNSYLVANIA - TOTAL	5884.0	5592.0	292.0	5.0

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

YORK MSA
WILLIAMSPORT MSA
STATE COLLEGE MSA
SHARON MSA
SCRANTON -
WILKES-BARRE MSA
READING MSA
PITTSBURGH PMSA
PHILADELPHIA PMSA
LANCASTER MSA
JOHNSTOWN MSA
HARRISBURG-
LEBANON-CARLISLE
MSA
ERIE MSA
BEAVER COUNTY
PMSA
ALTOONA MSA
ALLENTOWN-
BETHLEHEM MSA

PENNSYLVANIA'S LABOR FORCE

.... A Monthly Statistical Analysis

Highlights

- March's seasonally adjusted unemployment rate of 3.9 percent was lowest in sixteen years.
- First time ever civilian labor force exceeded 6 million level.
- Nonagricultural employment rebounded strongly in February, moving back above the five million plateau.
- Hours worked and weekly earnings dropped.
- Claims activity slowed in February.
- U. C. Trust Fund balance 71 percent larger than balance (excluding loans) at this time a year ago.
- Unadjusted jobless rates decreased in thirty-nine counties.

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ISSUED: APRIL 1989

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry

Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

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CURRENT LABOR FORCE SITUATION

UNEMPLOYMENT RATE LOWEST IN SIXTEEN YEARS

Pennsylvania's labor force and employment surged to record highs in March as economic expansion continued to benefit Pennsylvania business. Unemployment fell during the month to 3.9 percent of the labor force, the lowest seasonally adjusted rate of unemployment in sixteen years.

Data made available through the Current Population Survey (CPS) of households and released by the Bureau of Labor Statistics (BLS), show March seasonally adjusted employment in Pennsylvania up 99,000 to a new all-time high of 5,778,000. Compared to a year ago, employment was up a robust 319,000 with nearly three-fourths of the gain occurring during the first-three months of 1989.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

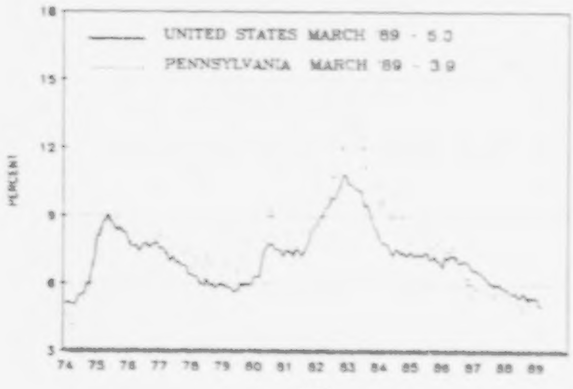


TABLE 1
TOTAL CIVILIAN LABOR FORCE EMPLOYMENT AND UNEMPLOYMENT IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	MAR. 1989	FEB. 1989	MAR. 1988	NET CHANGE FROM FEB. 1989	NET CHANGE FROM MAR. 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	6,012	5,932	5,758	80	254
Employment	5,778	5,679	5,459	99	319
Unemployment	234	253	299	-19	-65
Rate of Unemployment (%)	3.9	4.3	5.2	-0.4	-1.3
UNADJUSTED DATA					
Civilian Labor Force	5,892	5,814	5,639	78	253
Employment	5,642	5,533	5,324	109	318
Unemployment	250	281	315	-31	-65
Rate of Unemployment (%)	4.2	4.8	5.6	-0.6	-1.4

The strong employment advance carried the statewide labor force to 6,012,000, seasonally adjusted. This was the first time ever that Pennsylvania's labor force exceeded six million. The length and strength of the current economic recovery has enticed thousands of typical nonparticipants into the labor force, pushing the State's labor force participation rate to 63.9 percent in March, the highest ever. A labor force participation rate represents the percentage of the working age (ages 16+) population that is either working or looking for work.

Unemployment, seasonally adjusted, edged down 19,000 to 234,000 in March, reducing the statewide rate of unemployment to 3.9 percent. This was the lowest seasona[illegible]sted rate since January 1973 when the rate was also 3.9 percent. Prior to 1973, lower rates were not seen since January and February 1970 when the rate was 3.2 percent. Compared to a year ago, the March rate was down from 5.2 percent, representing 65,000 fewer jobless workers.

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	MAR. 1989 AP/	FEB. 1989 P/	JAN. 1989	FEB 1988	NET CHANGE TO FEB 1989 FROM: JAN. 1989	FEB. 1988
NONAG. WAGE AND SALARY	5047.2	5016.1	4990.8	4925.5	25.3	90.6
—MANUFACTURING INDUSTRIES	1054.0	1052.3	1054.8	1046.4	-2.5	5.9
DURABLE GOODS INDUSTRIES	601.7	599.9	602.1	596.1	-2.2	3.8
LUMBER AND WOOD PRODUCTS		30.0	30.4	29.4	-0.4	0.6
FURNITURE AND FIXTURES		21.3	21.4	22.1	-0.1	-0.8
STONE, CLAY, AND GLASS PRODUCTS		45.9	46.1	45.5	-0.2	0.4
PRIMARY METAL INDUSTRIES		92.3	92.5	89.8	-0.2	2.5
FABRICATED METAL PRODUCTS		91.6	92.3	91.0	-0.7	0.6
MACHINERY, EXCEPT ELECTRICAL		110.5	110.3	106.5	0.2	4.0
ELECTRIC & ELECTRONIC EQUIPMENT		89.9	91.0	92.1	-1.1	-2.2
TRANSPORTATION EQUIPMENT		61.4	61.2	62.1	0.2	-0.7
INSTRUMENTS AND RELATED PRODUCTS		36.1	36.3	36.5	-0.2	-0.4
MISCELLANEOUS MANUFACTURES		20.9	20.6	21.1	0.3	-0.2
NONDURABLE GOODS INDUSTRIES	452.3	452.4	452.7	450.3	-0.3	2.1
FOOD AND KINDRED PRODUCTS		91.5	91.8	90.6	-0.3	0.9
TOBACCO MANUFACTURES		1.1	1.2	1.2	-0.1	-0.1
TEXTILE MILL PRODUCTS		30.8	30.6	30.9	0.2	-0.1
APPAREL AND OTHER TEXTILE PRODS.		83.3	83.0	84.5	0.3	-1.2
PAPER AND ALLIED PRODUCTS		41.4	41.5	41.4	-0.1	0.0
PRINTING AND PUBLISHING		83.8	83.8	82.3	0.0	1.5
CHEMICALS AND ALLIED PRODUCTS		59.9	59.9	59.1	0.0	0.8
PETROLEUM AND COAL PRODUCTS		10.1	10.1	9.7	0.0	0.4
RUBBER AND PLASTICS PRODUCTS		40.2	40.5	40.0	-0.3	0.2
LEATHER AND LEATHER PRODUCTS		10.3	10.3	10.6	0.0	-0.3
—NONMANUFACTURING INDUSTRIES	3992.4	3962.8	3935.8	3876.5	27.0	86.3
MINING	27.8	27.6	28.0	28.5	-0.4	-0.9
CONTRACT CONSTRUCTION	215.5	209.0	211.8	194.9	-2.8	14.1
TRANSPORTATION	149.3	147.6	146.9	144.8	0.7	2.8
PUBLIC UTILITIES	103.5	103.6	103.4	104.5	0.2	-0.9
COMMUNICATIONS		49.5	49.4	49.7	0.1	-0.2
ELECTRIC, GAS AND SANITARY		54.1	54.0	54.8	0.1	-0.7
WHOLESALE TRADE	270.7	269.9	270.2	265.7	-0.3	4.2
RETAIL TRADE	869.8	864.5	871.1	853.8	-6.6	10.7
GENERAL MERCHANDISE STORES		126.4	131.7	125.8	-5.3	0.6
FINANCE, INSURANCE AND REAL ESTATE	294.5	292.7	292.1	288.9	0.6	3.8
BANKING		87.8	87.7	86.9	0.1	0.9
INSURANCE CARRIERS		85.2	85.2	83.6	0.0	1.6
SERVICES	1351.5	1338.7	1322.2	1294.9	16.5	43.8
BUSINESS SERVICES		235.3	233.6	221.2	1.7	14.1
HEALTH SERVICES		439.2	437.7	424.0	1.5	15.2
--HOSPITALS		240.4	240.3	233.7	0.1	6.7
LEGAL SERVICES		38.5	38.5	37.1	0.0	1.4
EDUCATIONAL SERVICES		157.6	148.5	160.1	9.1	-2.5
SOCIAL SERVICES		91.5	90.7	87.4	0.8	4.1
MISCELLANEOUS SERVICES		66.0	65.5	61.7	0.5	4.3
OTHER SERVICES		310.6	307.7	303.4	2.9	7.2
GOVERNMENT	709.8	709.2	690.1	700.5	19.1	8.7
FEDERAL		139.1	138.5	141.6	0.6	-2.5
STATE		159.7	151.5	156.6	8.2	3.1
LOCAL		410.4	400.1	402.3	10.3	8.1
—PERSONS IN LABOR-MGMT. DISPUTES	0.8	1.0	0.2	2.6	0.8	-1.6

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

MARCH EMPLOYMENT INCREASED AS EXPECTED

According to advance preliminary figures from a survey of businesses in Pennsylvania, March nonagricultural employment was up 31,100 from last month. This increase was in line with seasonal expectations. At 5,047,200, the March level of employment was the ninth highest on record. Nonmanufacturing jobs were responsible for most of the rise, with the largest increases recorded in services, construction, and retail trade.

An increase of 1,900 in manufacturing employment was also normal for this month. At 1,054,000, manufacturing jobs were up 4,100 from one year ago.

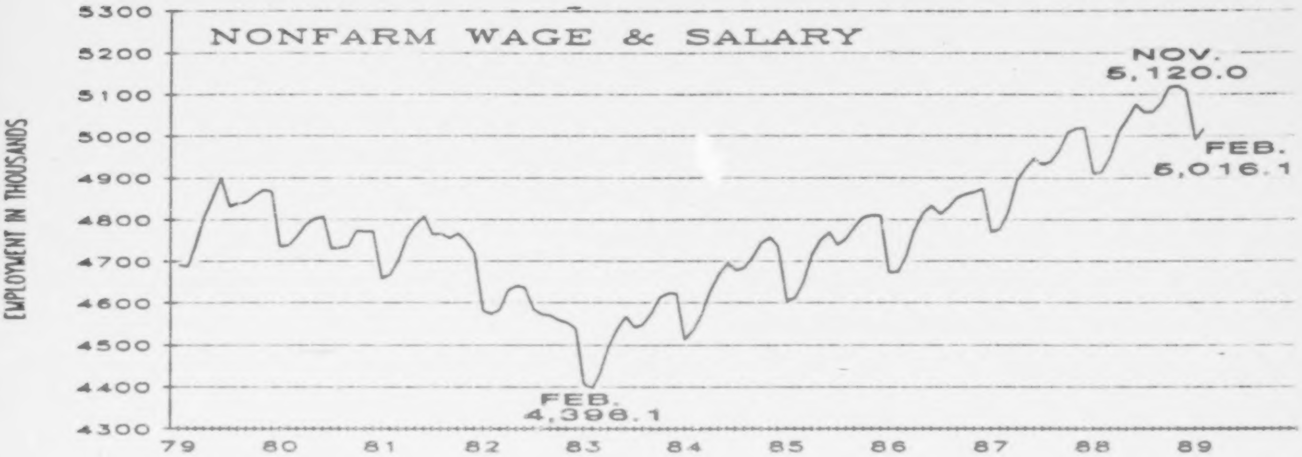
EMPLOYMENT SHOWS STRONG REBOUND IN FEBRUARY

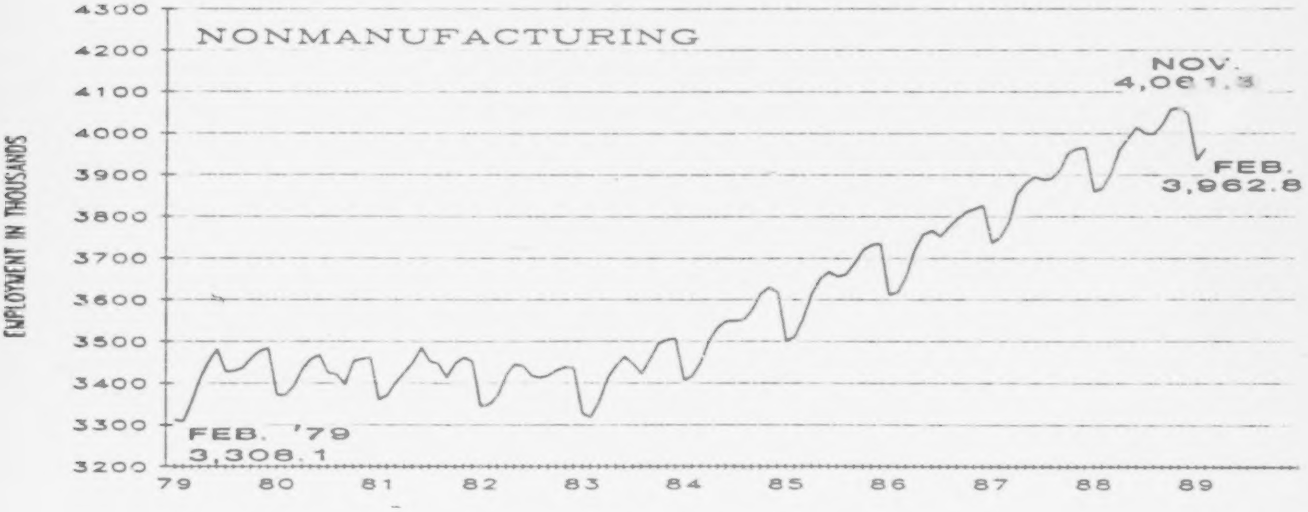
The number of jobs supplied by Pennsylvania's businesses rebounded strongly in February moving, once again, over the five-million plateau to a total of 5,016,100. This job count was the twelfth highest on record, while nine of the top twelve months occurred during 1988. Analysts point to these positive job numbers as a further indication of the Commonwealth's ongoing economic well-being. Total nonfarm jobs rose 25,300 between January and February,due predominately to continued growth within the nonmanufacturing division. Nonmanufacturing jobs, at 3,962,800 in February were up 27,000.

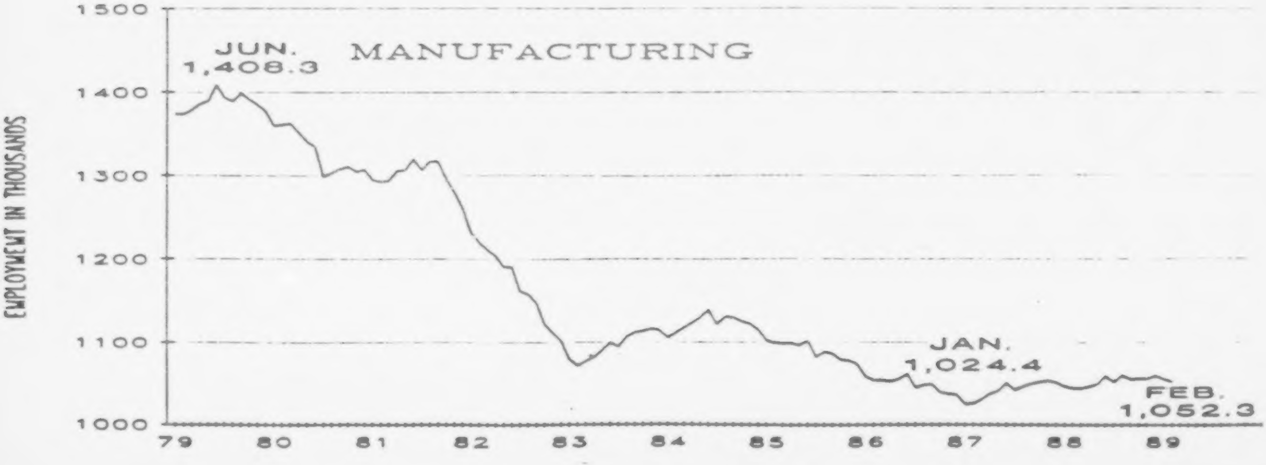
As expected, seasonal job gains in state and local education caused government to advance by 19,100, while services added another 16,500 to payrolls during February. Educational services were responsible for over half the total growth in the services industry. The over-the-month growth in education in both the public and private sectors was due primarily to workers returning from the holiday break. Over-the-year, services added 43,800 jobs throughout the commonwealth, which was a little more than half of all jobs added in nonmanufacturing.

Manufacturing employment declined by 2,500 in February. Within this division, durable-(hard) goods industries were off 2,200 as losses were generally widespread across many lines. In contrast, job movement within nondurables (soft) goods tended to balance with small gains and losses combining for a net downturn of 300. Over the year, jobs in manufacturing rose by 5,900 with 3,800 of these added in the durable goods sector.

PENNSYLVANIA WAGE & SALARY JOBS
NOT SEASONALLY ADJUSTED DATA







MONTH AND YEAR

HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS
OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	FEB. 1989 P/	JAN. 1989	FEB. 1988	FEB. 1989 P/	JAN. 1989	FEB. 1988	FEB. 1989 P/	JAN. 1989	FEB. 1988
MANUFACTURING INDUSTRIES	$425.08	$426.36	$412.70	40.6	40.8	40.7	$10.47	$10.45	$10.14
DURABLE GOODS	468.58	467.60	453.53	41.8	41.9	41.8	11.21	11.16	10.85
LUMBER AND WOOD PRODUCTS	345.84	342.61	335.09	39.3	39.2	39.1	8.80	8.74	8.57
FURNITURE AND FIXTURES	360.48	364.40	342.03	39.7	40.0	39.0	9.08	9.11	8.77
STONE, CLAY, AND GLASS PRODS.	472.14	467.99	441.41	43.0	42.7	42.2	10.98	10.96	10.46
PRIMARY METALS	565.07	565.04	548.21	43.3	43.7	43.2	13.05	12.93	12.69
FABRICATED METAL PRODUCTS	451.92	452.38	444.15	42.0	42.2	42.3	10.76	10.72	10.50
NONELECTRICAL MACHINERY	494.64	494.05	483.48	43.2	43.3	43.4	11.45	11.41	11.14
ELECTRIC AND ELECTRONIC MACH.	407.82	414.12	417.17	40.1	40.8	41.1	10.17	10.15	10.15
TRANSPORTATION EQUIPMENT	535.46	532.51	506.74	41.8	41.7	41.4	12.81	12.77	12.24
INSTRUMENTS AND RELATED PROD.	423.44	419.44	418.61	39.5	39.2	41.0	10.72	10.70	10.21
MISCELLANEOUS MANUFACTURES	426.18	419.29	364.43	40.9	40.2	38.2	10.42	10.43	9.54
NONDURABLE GOODS	369.89	373.12	361.69	39.1	39.4	39.4	9.46	9.47	9.18
FOOD AND KINDRED PRODUCTS	407.00	416.70	397.18	39.4	40.3	40.2	10.33	10.34	9.88
TOBACCO PRODUCTS	262.44	273.92	233.31	41.2	42.6	38.5	6.37	6.43	6.06
TEXTILE PRODUCTS	291.17	293.04	273.60	39.4	39.6	38.0	7.39	7.40	7.20
APPAREL AND RELATED PRODUCTS	226.14	227.27	218.15	35.5	35.4	35.3	6.37	6.42	6.18
PAPER PRODUCTS	473.19	474.65	466.52	42.9	42.8	43.6	11.03	11.09	10.70
PRINTING AND PUBLISHING	421.90	424.79	433.20	38.6	38.9	40.0	10.93	10.92	10.83
CHEMICALS AND ALLIED PRODUCTS	525.00	524.59	513.10	41.7	41.8	42.3	12.59	12.55	12.13
PETROLEUM AND COAL PRODUCTS	632.77	626.08	609.74	43.4	43.0	43.0	14.58	14.56	14.18
RUBBER AND PLASTICS PRODUCTS	384.64	385.48	376.55	41.9	41.9	41.7	9.18	9.20	9.03
LEATHER PRODUCTS	245.90	249.66	223.11	37.6	38.0	37.0	6.54	6.57	6.03
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	440.18	453.83	395.74	35.7	37.6	33.2	12.33	12.07	11.92
BIT. COAL & LIGNITE MINING	698.33	709.14	632.31	42.4	42.9	40.3	16.47	16.53	15.69
COMMUNICATIONS	525.20	542.30	528.91	39.4	39.7	39.5	13.33	13.66	13.39
ELECTRIC, GAS, & SANITARY	667.54	669.96	652.94	42.6	42.7	42.9	15.67	15.69	15.22
GENERAL MERCHANDISE STORES	174.35	166.14	166.24	26.1	26.0	26.9	6.68	6.39	6.18

P/ Preliminary data.

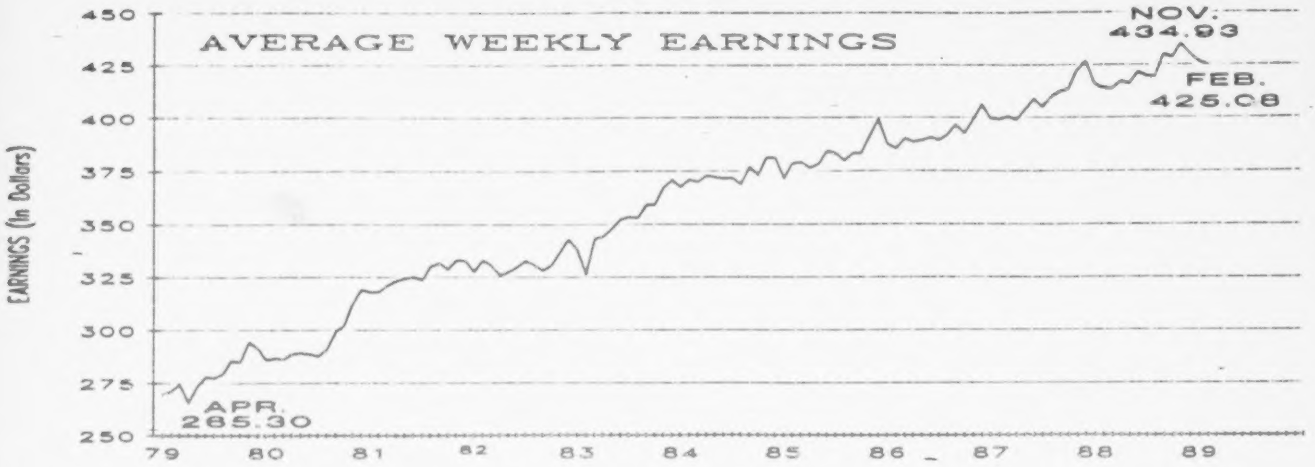
HOURS WORKED AND WEEKLY EARNINGS DROP IN FEBRUARY

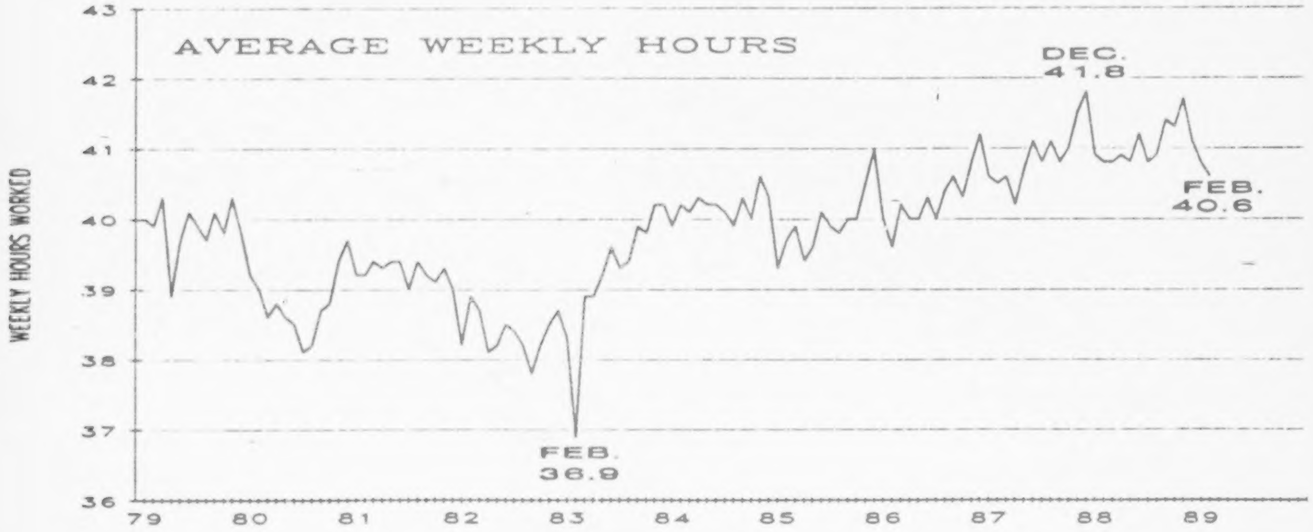
A 0.2 of an hour cut in hours worked and a negligible $0.02 increase in hourly earnings left manufacturing production workers with $1.28 less in their weekly paychecks. In February, average hourly earnings were only $0.33 more than a year ago.

In both the durable goods and nondurable goods sectors, only primary metal workers had a change in hourly earnings greater than single digits (+$0.12 an hour);the remaining changes ranged from a $0.06 an hour decrease in tobacco products and paper products to a $0.06 an hour increase in lumber and wood products. Workers in durable (hard) goods industries continued to have average workweeks greater than 41 hours, while those in nondurable (soft) goods were averaging less than 40 hours per week.

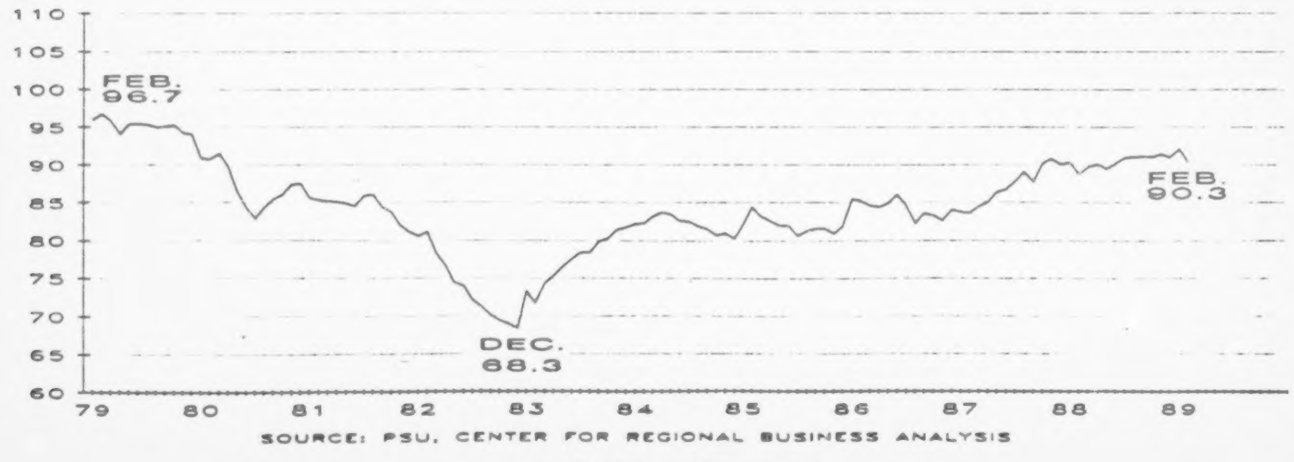
Due to their mostly part-time status, workers in general merchandise stores had the shortest workweek and the smallest paychecks for the month. However, their $0.29 an hour increase in hourly earnings from last month and $0.50 an hour increase from last year is most noteworthy. This is probably a reflection of the labor shortages in some areas with low unemployment, and the need to pay higher wages to attract new workers and keep the current staff. Some of this increase could also be attributed to the minimum wage increase from $3.35 to $3.70 an hour.

PENNSYLVANIA HOURS & EARNINGS
FOR MANUFACTURING PRODUCTION WORKERS





PENNSYLVANIA MANUFACTURING ACTIVITY INDEX
(1973=100)



SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

MONTH AND YEAR

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	FEBRUARY	JANUARY	FEBRUARY	NET CHANGE FROM	
	1989	1988	1988	JAN. 89	FEB. 88
CLAIMS ACTIVITY					
Initial Claims	78,866	132,682	88,638	-53,816	-9,772
Weeks Claimed	637,248	720,982	711,379	-83,734	-74,131
—Average Weekly Volume	159,312	163,860	169,376	-4,548	-10,064
Insured Unemployed Rate	3.4%	3.5%	3.7%	-0.1	-0.3
PAYMENT ACTIVITY					
First Payments	43,561	66,862	49,496	-23,301	-5,935
Final Payments	6,331	8,482	6,647	-2,151	-316
Weeks Paid	561,531	556,480	625,989	5,051	-64,458
Net Benefit Amount	$97,154,377	$90,742,543	$95,012,446	$6,411,834	$2,141,931
Avg. Check Amount	$173.02	$163.07	$151.78	$9.95	$21.24

CLAIMS ACTIVITY SLOWS IN FEBRUARY

Claims totals subsided in February. Initial claims fell by a substantial 41 percent between January and February, leaving the total of 78,866 for February 11 percent below a year ago. Likewise, weeks claimed dropped below month-ago (down 12 percent) and year-ago (down 10 percent) levels. Both claims figures for February are the lowest for the month since 1973. As a result of the drop in weeks claimed, the insured unemployment rate in February slipped from January's 3.5 percent to 3.4 percent, a 19-year low for the month.

The average check amount jumped by $9.95 from a month ago reaching $173.02 in February. Much of this increase is attributable to the elimination of the 5 percent benefit reduction, since a greater percent of the checks issued in February were affected by this action than in January. With income topping disbursements by $44 million during February, cash reserves in the Trust Fund grew to $1,147 million by the end of the month. The Trust Fund balance is 71 percent larger than the balance excluding outstanding loans at this time a year ago.

UNEMPLOYMENT COMPENSATION TRUST FUND - FEBRUARY 1989

Income	$140,895,410	Cash Reserves	$ 1,146,971,836
Disbursements	$ 97,153,231	Federal Loans	0
		Net Reserves	$ 1,146,971,836

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

FEBRUARY'S UNADJUSTED RATES DECREASE IN THIRTY-NINE COUNTIES

Unadjusted rates for thirty-nine counties dropped in February. The decreases ranged from 0.1 to 1.4 percentage points. This pattern is in line with Pennsylvania's decrease of 0.2 percentage point from January's unadjusted rate.

Juniata, Huntingdon, and Forest Counties again recorded double-digit unemployment rates. Forest County's high of 11.9 was 1.2 percentage points greater than last month. However, these rate increases are not cause for alarm in counties with such a small labor force volume. The estimating procedures used in determining unemployment rates cannot measure fluctuation as accurately in a small volume area as in a large volume one.

The entire southeast part of Pennsylvania is now experiencing labor shortages with unemployment rates at 5.0 percent or less. Even in counties with somewhat higher jobless rates, shortages are apparent in selected industries and occupations.

FEBRUARY RATE OF UNEMPLOYMENT

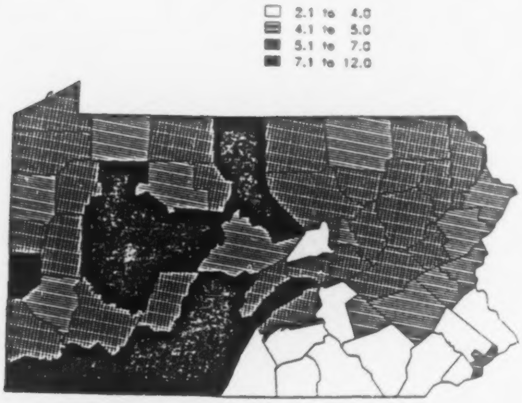


TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
FEBRUARY - 1989

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.6	4900
Cumberland	2	2.8	3000
Montgomery	2	2.8	11000
Delaware	4	3.1	9400
Bucks	5	3.2	9500
Lancaster	5	3.2	7000
Adams	7	3.4	1300
Franklin	8	3.5	1900
Dauphin	9	3.8	5000
Union	10	3.9	700
York	11	4.0	7200
Northampton	12	4.1	4800
Berks	13	4.2	7400
Lehigh	13	4.2	6200
Montour	15	4.4	400
Allegheny	16	4.5	28900
Warren	16	4.5	1000
Mercer	18	4.7	2400
Monroe	18	4.7	2200
Bradford	20	4.8	1500
Centre	21	4.9	3100
Lebanon	21	4.9	3100
Elk	23	5.0	900
Philadelphia	23	5.0	36800
Pike	23	5.0	600
Perry	26	5.1	1000
Snyder	27	5.2	1000
Lackawanna	28	5.4	5900
Erie	29	5.5	7300
Butler	30	5.7	4100
Sullivan	31	6.0	200
Carbon	32	6.1	1500
Tioga	33	6.2	1100
Washington	33	6.2	5700
Luzerne	35	6.3	10100
Venango	35	6.3	1600
Columbia	37	6.4	2100
Lawrence	37	6.4	3000
Schuylkill	37	6.4	4700
Mifflin	40	6.5	1400
Cameron	41	6.6	200
Crawford	42	6.7	2600
Lycoming	42	6.7	4000
McKean	42	6.7	1400
Cambria	45	6.8	4300
Northumberland	45	6.8	3300
Westmoreland	45	6.8	11700
Wyoming	45	6.8	900
Susquehanna	49	6.9	1200
Wayne	49	6.9	1300
Blair	51	7.3	4300
Potter	52	7.5	600
Jefferson	53	8.0	1600
Beaver	54	8.4	5000
Clarion	54	8.4	1500
Bedford	56	8.5	1800
Fulton	57	8.6	500
Armstrong	58	8.8	2500
Clinton	58	8.8	1400
Somerset	60	9.1	3000
Fayette	61	9.4	5500
Greene	62	9.6	1200
Clearfield	63	9.9	3500
Indiana	63	9.9	3500
Juniata	65	10.5	1100
Huntingdon	66	10.8	2000
Forest	67	11.9	200

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE
BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	FEBRUARY 1989 * UNEMPLOYMENT NUMBER AND RATE%		JANUARY 1989 UNEMPLOYMENT NUMBER AND RATE%		FEBRUARY 1988 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6328	5.1	6716	5.4	6892	5.7
PENNSYLVANIA	253	4.3	258	4.3	306	5.3
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	13.3	4.0	13.1	3.9	14.8	4.6
ALTOONA MSA	3.7	6.1	3.6	5.9	4.0	6.7
BEAVER COUNTY PMSA	4.5	7.4	4.6	7.6	6.0	9.8
ERIE MSA	6.5	4.9	6.6	4.9	8.4	6.4
HARRISBURG-LEB-CARLISLE MSA	11.1	3.4	10.3	3.1	12.5	3.9
JOHNSTOWN MSA	5.7	5.9	5.7	5.9	7.0	7.4
LANCASTER MSA	7.2	3.2	7.0	3.1	7.6	3.5
PHILADELPHIA PMSA	91.1	3.7	94.3	3.8	101.3	4.2
PITTSBURGH PMSA	44.2	4.5	45.4	4.6	59.9	6.2
READING MSA	7.1	3.9	6.9	3.9	7.6	4.4
SCRANTON--WILKES-BARRE MSA	19.2	5.2	19.4	5.3	22.4	6.3
SHARON MSA	2.0	3.8	2.0	3.9	2.5	5.0
STATE COLLEGE MSA	3.0	4.6	3.0	4.6	3.1	5.0
WILLIAMSPORT MSA	3.3	5.4	3.2	5.2	3.3	5.5
YORK MSA	8.5	3.8	8.6	3.8	9.1	4.2

* Preliminary data.

CHANGES IN FEBRUARY'S SEASONALLY ADJUSTED UNEMPLOYMENT RATES VARY AMONG LABOR MARKET AREAS

February changes in seasonally adjusted unemployment rates for Pennsylvania's fifteen major labor market areas were evenly divided. One-third of the areas increased their rates, one-third stayed the same, and the other one-third decreased from January. All areas recorded lower rates than one year ago. The rates ranged from a low of 3.2 in Lancaster MSA to a high of 7.4 in Beaver County PMSA.

The most recent rankings (January 1989, not seasonally adjusted) of 257 major labor market areas in the nation, tied Beaver County PMSA in twenty-sixth place, with rankings reported highest to lowest. On the other end, Lancaster MSA tied at 235th and Harrisburg-Lebanon-Carlisle tied at 223rd place with other MSAs.

SERVICE DELIVERY AREAS

Unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.6 for SDA 21 to 8.4 for SDA 05. Six SDAs recorded increases; four remained unchanged; and the other eighteen recorded drops in their rates from January.

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
FEBRUARY 1989 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	131.6	124.3	7.2	5.5
02	Clarion, Crawford, Forest, Venango, Warren	104.9	98.0	6.9	6.5
03	City of Pittsburgh	172.4	164.2	8.3	4.8
04	Allegheny County minus City of Pittsburgh	471.5	450.8	20.7	4.4
05	Beaver	59.7	54.7	5.0	8.4
06	Armstrong, Butler, Indiana	136.2	126.0	10.1	7.4
07	Fayette, Westmoreland	231.2	214.0	17.2	7.5
08	Greene, Washington	104.7	97.7	7.0	6.7
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	103.6	95.6	8.1	7.8
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	200.9	185.0	15.9	7.9
11	Centre, Clinton, Lycoming, Mifflin	161.1	151.2	9.9	6.2
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	135.1	126.6	8.5	6.3
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	82.0	77.2	4.9	5.9
14	Lackawanna	109.5	103.6	5.9	5.4
15	Carbon, Monroe, Pike, Wayne	101.7	96.1	5.6	5.5
16	Luzerne, Schuylkill	233.4	218.7	14.8	6.3
17	Philadelphia	738.5	701.7	36.8	5.0
18	Bucks	296.2	286.6	9.5	3.2
19	Montgomery	389.2	378.2	11.0	2.8
20	Delaware	299.6	290.2	9.4	3.1
21	Chester	192.1	187.2	4.9	2.6
22	Lehigh, Northampton	264.4	253.4	11.0	4.2
23	Berks	176.4	169.0	7.4	4.2
24	Cumberland, Dauphin, Lebanon, Perry	322.7	310.4	12.2	3.8
25	Lancaster	221.0	214.0	7.0	3.2
26	York	182.8	175.6	7.2	4.0
27	Adams, Franklin	94.7	91.5	3.3	3.4
28	Lawrence, Mercer	97.2	91.9	5.4	5.5
	PENNSYLVANIA - TOTAL	5814.0	5533.0	281.0	4.8

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

YORK MSA
WILLIAMSPORT MSA
STATE COLLEGE MSA
SHARON MSA
SCRANTON - WILKES-BARRE MSA
READING MSA
PITTSBURGH PMSA
PHILADELPHIA PMSA
LANCASTER MSA
JOHNSTOWN MSA
HARRISBURG-LEBANON-CARLISLE MSA
ERIE MSA
BEAVER COUNTY PMSA
ALTOONA MSA
ALLENTOWN-BETHLEHEM MSA

PENNSYLVANIA'S

LABOR FORCE

.... A Monthly Statistical Analysis

Highlights

- Seasonally adjusted unemployment rose to 4.4 percent in April.
- Nonagricultural wage and salary jobs advanced to 5,045,300 in March , the ninth highest on record.
- Hours worked by manufacturing production workers continued to drop.
- Initial claims edged upward from month-ago and year-ago levels.
- Unadjusted unemployment rates for sixty-six counties dropped in March.
- All Labor Market Areas and SDAs reduced their unemployment rates between February and March.

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ISSUED: May 1989

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry

Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis is published monthly by the Bureau of Research and Statistics. Focusing on economic information and analysis, the publication is intended for a variety of users from business leaders, government administrators and planners to the general public.

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CURRENT LABOR FORCE SITUATION

PENNSYLVANIA'S JOBLESS RATE RISES TO 4.4 PERCENT IN APRIL

After setting new highs for statewide labor force and employment as well as a 16-year low unemployment rate in March, employment retreated in April raising the state's seasonally adjusted jobless rate to 4.4 percent. The United States rate for the month was 5.3 percent. Pennsylvania's rate has been at or below the United States rate for 34 of the last 35 months.

Data made available through the Current Population Survey of households and released by the U.S. Department of Labor's Bureau of Labor Statistics, show April seasonally adjusted employment in Pennsylvania down 101,000 to 5,677,000. This figure is nearly identical to the February level, which preceded the March surge to a record high of 5,778,000 employed Pennsylvanians.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

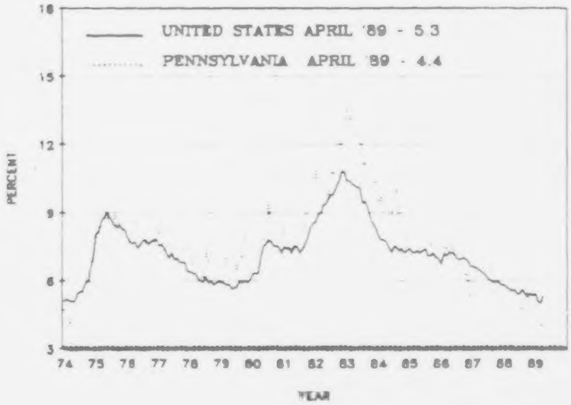


TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	APR. 1989	MAR. 1989	APR. 1988	NET CHANGE FROM MAR. 1989	NET CHANGE FROM APR. 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,940	6,012	5,778	-72	162
Employment	5,677	5,778	5,490	-101	187
Unemployment	263	234	288	29	-25
Rate of Unemployment (%)	4.4	3.9	5.0	0.5	-0.6
3.9					
UNADJUSTED DATA					
Civilian Labor Force	5,840	5,892	5,680	-52	160
Employment	5,606	5,642	5,419	-36	187
Unemployment	234	250	261	-16	-27
Rate of Unemployment (%)	4.0	4.2	4.6	-0.2	-0.6

April's employment was fourth-highest on record. Compared to a year ago, employment was up a healthy 187,000.

Unemployment, seasonally adjusted, moved up 29,000 in response to the employment setback. At 263,000 in April, the number of jobless workers represented 4.4 percent of the labor force, seasonally adjusted. Still, at 4.4 percent, April's rate was lower than at any time in 1988 and compared favorably with the year-ago rate of 5.0 percent. Unemployment, not adjusted for seasonality, was 234,000 in April, down 16,000 since March. This lowered the unadjusted rate of unemployment to 4.0 percent from 4.2 percent in March. Compared to a year ago, the unadjusted rate was down from 4.6 percent.

PENNSYLVANIA'S JOBS

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	APR. 1989 AP/	MAR. 1989 P/	FEB. 1989	MAR. 1988	NET CHANGE TO MAR. 1989 FROM:	
					FEB. 1989	MAR. 1988
NONAG. WAGE AND SALARY	5108.1	5045.3	5017.3	4966.9	28.0	78.4
---MANUFACTURING INDUSTRIES	1055.1	1053.2	1052.2	1049.9	1.0	3.3
DURABLE GOODS INDUSTRIES	603.2	601.2	600.0	598.5	1.2	2.7
LUMBER AND WOOD PRODUCTS		30.3	30.0	30.1	0.3	0.2
FURNITURE AND FIXTURES		21.3	21.4	22.2	-0.1	-0.9
STONE, CLAY, AND GLASS PRODUCTS		46.7	45.9	46.2	0.8	0.5
PRIMARY METAL INDUSTRIES		92.7	92.4	89.9	0.3	2.8
FABRICATED METAL PRODUCTS		91.6	91.8	90.8	-0.2	0.8
MACHINERY, EXCEPT ELECTRICAL		110.9	110.7	106.9	0.2	4.0
ELECTRIC & ELECTRONIC EQUIPMENT		89.5	90.0	92.0	-0.5	-2.5
TRANSPORTATION EQUIPMENT		61.3	61.1	62.5	0.2	-1.2
INSTRUMENTS AND RELATED PRODUCTS		36.0	35.9	36.5	0.1	-0.5
MISCELLANEOUS MANUFACTURES		20.9	20.8	21.4	0.1	-0.5
NONDURABLE GOODS INDUSTRIES	451.9	452.0	452.2	451.4	-0.2	0.6
FOOD AND KINDRED PRODUCTS		90.5	91.3	90.4	-0.8	0.1
TOBACCO MANUFACTURES		1.1	1.1	1.2	0.0	-0.1
TEXTILE MILL PRODUCTS		31.0	30.8	31.3	0.2	-0.3
APPAREL AND OTHER TEXTILE PRODS.		83.2	83.2	84.2	0.0	-1.0
PAPER AND ALLIED PRODUCTS		41.4	41.4	41.5	0.0	-0.1
PRINTING AND PUBLISHING		84.1	83.7	82.7	0.4	1.4
CHEMICALS AND ALLIED PRODUCTS		60.4	60.1	59.5	0.3	0.9
PETROLEUM AND COAL PRODUCTS		10.1	10.1	9.8	0.0	0.3
RUBBER AND PLASTICS PRODUCTS		39.9	40.2	40.2	-0.3	-0.3
LEATHER AND LEATHER PRODUCTS		10.3	10.3	10.6	0.0	-0.3
---NONMANUFACTURING INDUSTRIES	4051.5	3991.1	3964.1	3914.8	27.0	76.3
MINING	28.0	27.6	27.5	28.9	0.1	-1.3
CONTRACT CONSTRUCTION	233.6	215.5	209.2	204.3	6.3	11.2
TRANSPORTATION	150.9	148.7	147.3	146.6	1.4	2.1
PUBLIC UTILITIES	102.9	103.1	103.3	104.7	-0.2	-1.6
COMMUNICATIONS		49.1	49.2	49.9	-0.1	-0.8
ELECTRIC, GAS AND SANITARY		54.0	54.1	54.8	-0.1	-0.8
WHOLESALE TRADE	271.8	270.1	269.6	267.2	0.5	2.9
RETAIL TRADE	883.1	869.1	865.5	859.3	3.6	9.8
GENERAL MERCHANDISE STORES		126.4	126.4	124.3	0.0	2.1
FINANCE, INSURANCE AND REAL ESTATE	296.9	294.6	292.5	289.8	2.1	4.8
BANKING		88.4	87.8	86.8	0.6	1.6
INSURANCE CARRIERS		85.3	85.2	83.9	0.1	1.4
SERVICES	1373.6	1352.9	1339.6	1307.9	13.3	45.0
BUSINESS SERVICES		238.6	235.3	224.3	3.3	14.3
HEALTH SERVICES		441.8	439.5	425.6	2.3	16.2
--HOSPITALS		241.4	240.6	234.2	0.8	7.2
LEGAL SERVICES		38.1	38.4	37.5	-0.3	0.6
EDUCATIONAL SERVICES		160.4	158.1	160.3	2.3	0.1
SOCIAL SERVICES		92.1	91.7	88.4	0.4	3.7
OTHER SERVICES		381.9	376.6	371.8	5.3	10.1
GOVERNMENT	710.7	709.5	709.6	706.1	-0.1	3.4
FEDERAL		138.2	139.0	141.6	-0.8	-3.4
STATE		160.2	159.8	157.8	0.4	2.4
LOCAL		411.1	410.8	406.7	0.3	4.4
---PERSONS IN LABOR-MGMT. DISPUTES	1.5	1.0	1.0	2.2	0.0	-1.2

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

APRIL'S EMPLOYMENT LEVEL SECOND HIGHEST ON RECORD

According to advance preliminary figures for April, Pennsylvania's total nonagricultural establishment employment level of 5,108,100 was the second highest on record, surpassed only in November 1988. The monthly increase of 62,800 was slightly more than expected.

Nearly all of the job growth came from the nonmanufacturing industries, with services, construction, and retail trade being the primary contributors. The higher-than-normal growth in construction was surprising, considering the higher mortgage interest rates.

Manufacturing industries remained stable, with a modest 1,900 increase over the month—all from the durable goods sector.

PENNSYLVANIA'S NONAGRICULTURAL EMPLOYMENT NINTH HIGHEST ON RECORD

Pennsylvania's non-farm jobs total rose by 28,000 in March to a level of 5,045,300. While the upturn was slightly below the seasonal norm, it was enough to push nonagricultural payrolls to the ninth highest level ever recorded. Currently, there are 78,400 more jobs filled throughout the Commonwealth than were available one year-ago.

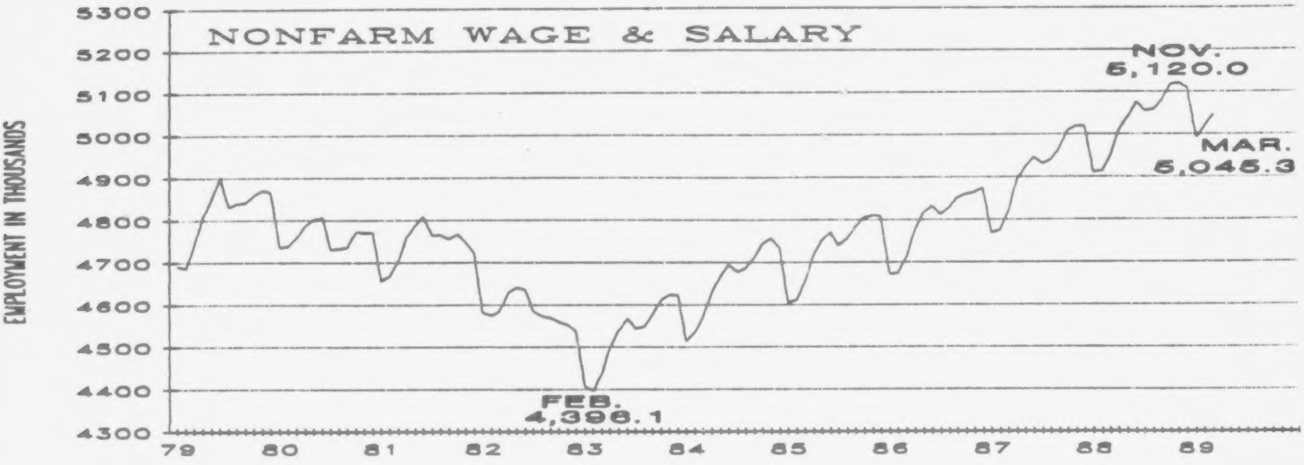
The nonagricultural jobs count is the result of a continuing monthly employer survey performed by the state Department of Labor and Industry. The survey excludes farm workers, self-employed, domestics, and unpaid family workers.

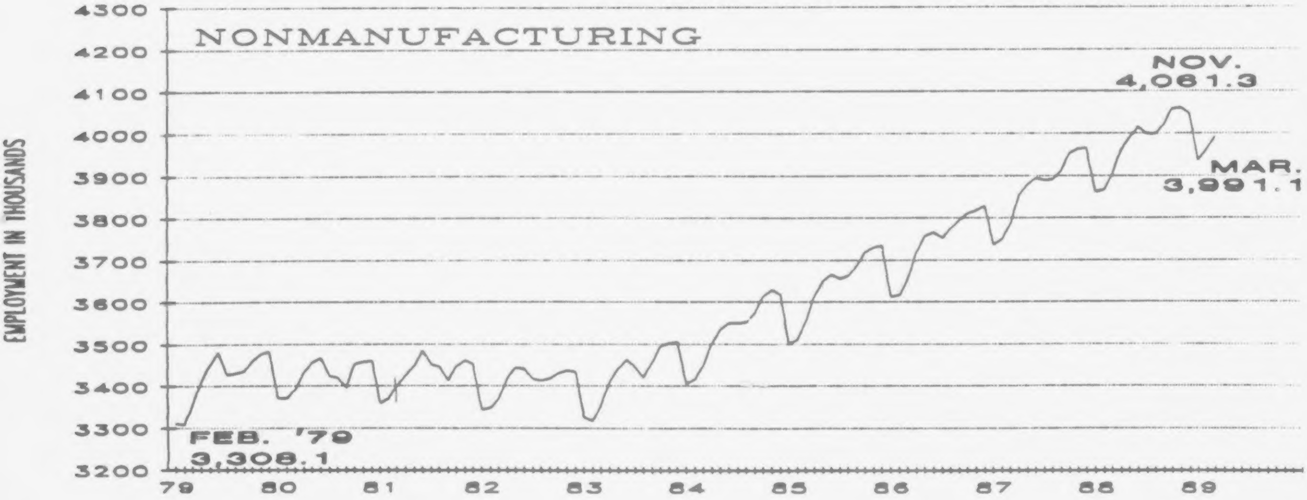
Preliminary data for March verified nonmanufacturing's dominance in providing Pennsylvania's jobs. The addition of 27,000 nonmanufacturing jobs over the month raised that total to 3,991,100; the seventh highest figure on record. Within this division, nearly half of the rise occurred in the service industry alone, as a new record high of 1,352,900 was achieved. Other nonmanufacturing industries that showed spring expansion were construction (up 6,300), retail trade (up 3,600), and finance, insurance and real estate (up 2,100).

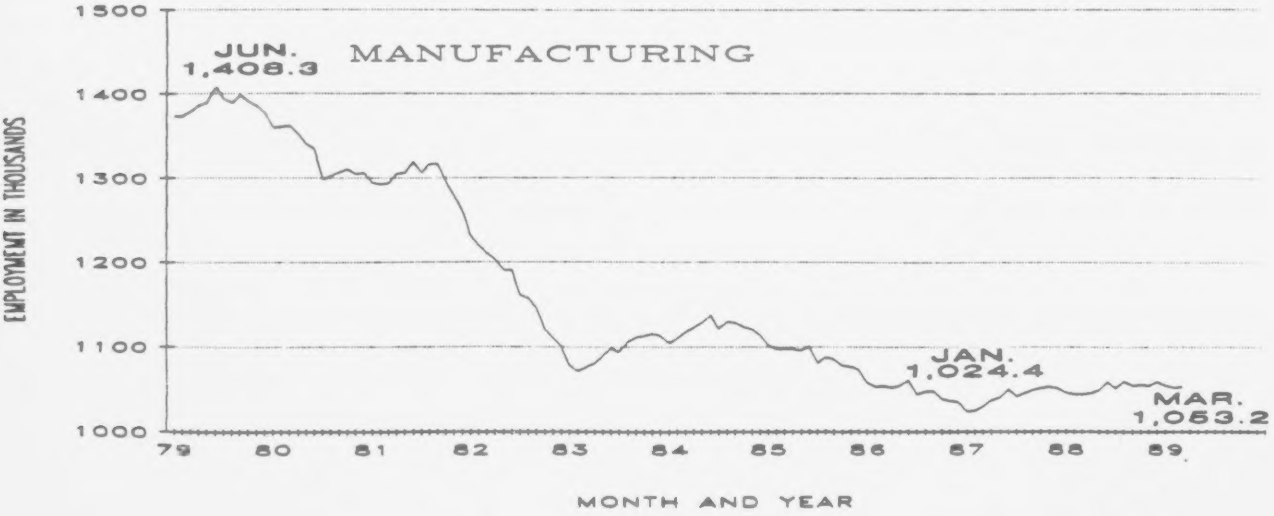
Despite the increasing employment numbers, construction and trade may be showing signs of wear and tear from higher interest rates. Their gains were less robust than usual for March.

Manufacturing employment rose by 1,000 since February, predominantly in the durable (hard) goods sector. An increase of 800 jobs in the stone, clay, and glass industry line led the durable advance. The nondurable (soft) goods sector ,down a net 200 jobs in March, was hampered by an 800 job decline in food products.

PENNSYLVANIA WAGE & SALARY JOBS
NOT SEASONALLY ADJUSTED DATA







HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS
OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	MAR. 1989 P/	FEB. 1989	MAR. 1988	MAR. 1989 P/	FEB. 1989	MAR. 1988	MAR. 1989 P/	FEB. 1989	MAR. 1988
MANUFACTURING INDUSTRIES	$426.06	$425.49	$413.71	40.5	40.6	40.8	$10.52	$10.48	$10.14
DURABLE GOODS	468.29	468.58	454.62	41.7	41.8	41.9	11.23	11.21	10.85
LUMBER AND WOOD PRODUCTS	354.24	346.92	340.96	40.3	39.2	39.6	8.79	8.85	8.61
FURNITURE AND FIXTURES	359.90	358.49	350.64	39.9	39.7	39.8	9.02	9.03	8.81
STONE, CLAY, AND GLASS PRODS.	464.88	472.14	443.52	42.3	43.0	42.2	10.99	10.98	10.51
PRIMARY METALS	559.87	563.33	541.44	43.2	43.2	42.7	12.96	13.04	12.68
FABRICATED METAL PRODUCTS	446.54	451.92	440.16	41.5	42.0	42.0	10.76	10.76	10.48
NONELECTRICAL MACHINERY	496.94	498.67	480.13	43.1	43.4	43.1	11.53	11.49	11.14
ELECTRIC AND ELECTRONIC MACH.	409.77	408.83	415.30	39.9	40.2	41.2	10.27	10.17	10.08
TRANSPORTATION EQUIPMENT	542.10	536.71	527.77	41.7	41.8	42.7	13.00	12.84	12.36
INSTRUMENTS AND RELATED PROD.	427.87	428.80	420.43	40.1	40.0	41.3	10.67	10.72	10.18
MISCELLANEOUS MANUFACTURES	427.11	425.77	365.54	40.6	40.9	38.6	10.52	10.41	9.47
NONDURABLE GOODS	371.11	369.72	361.82	38.9	39.0	39.5	9.54	9.48	9.16
FOOD AND KINDRED PRODUCTS	408.18	405.33	391.44	39.4	39.2	39.7	10.36	10.34	9.86
TOBACCO PRODUCTS	252.40	265.65	238.73	40.0	42.1	39.2	6.31	6.31	6.09
TEXTILE PRODUCTS	290.86	292.70	279.30	39.2	39.5	38.9	7.42	7.41	7.18
APPAREL AND RELATED PRODUCTS	227.69	227.48	222.12	35.3	35.6	36.0	6.45	6.39	6.17
PAPER PRODUCTS	473.34	472.34	462.67	42.3	42.4	43.2	11.19	11.14	10.71
PRINTING AND PUBLISHING	429.96	426.86	436.00	38.7	38.7	40.0	11.11	11.03	10.90
CHEMICALS AND ALLIED PRODUCTS	512.37	516.60	509.04	40.6	41.0	42.0	12.62	12.60	12.12
PETROLEUM AND COAL PRODUCTS	611.74	621.62	592.07	41.9	42.9	42.2	14.60	14.49	14.03
RUBBER AND PLASTICS PRODUCTS	383.46	384.22	374.82	41.5	41.9	41.6	9.24	9.17	9.01
LEATHER PRODUCTS	249.38	244.88	223.94	37.5	37.5	37.2	6.65	6.53	6.02
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	468.61	440.34	435.81	37.7	35.8	36.5	12.43	12.30	11.94
BIT. COAL & LIGNITE MINING	679.80	700.45	614.62	41.2	42.4	39.5	16.50	16.52	15.56
COMMUNICATIONS	536.41	537.20	526.54	39.5	39.5	39.5	13.58	13.60	13.33
ELECTRIC, GAS, & SANITARY	666.23	666.95	640.66	42.3	42.4	42.4	15.75	15.73	15.11
GENERAL MERCHANDISE STORES	171.74	173.30	171.27	26.3	26.1	27.1	6.53	6.64	6.32

P/ Preliminary data.

HOURS WORKED CONTINUED TO DROP

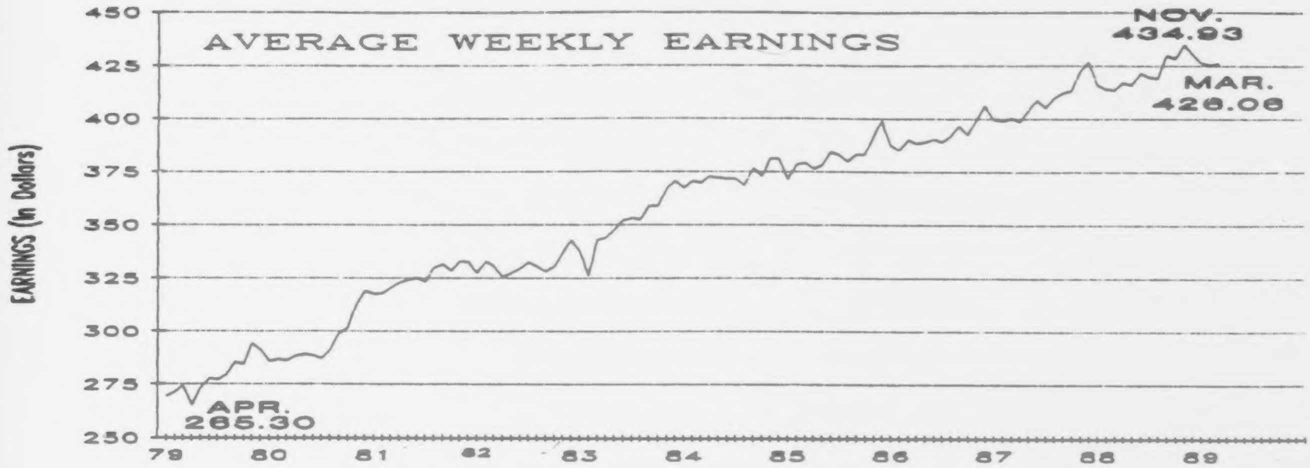
Preliminary figures for March indicate another drop in hours worked for Pennsylvania's manufacturing production workers. The continuing decrease has prevailed for the past four months in the durable and nondurable sectors, as well as the average for all manufacturing industries. Although the overall decrease of 1.2 hours since November 1988 is not cause for immediate alarm, the production workweek is a leading economic indicator, and should be watched closely. A continued drop would signal a weakening of economic conditions.

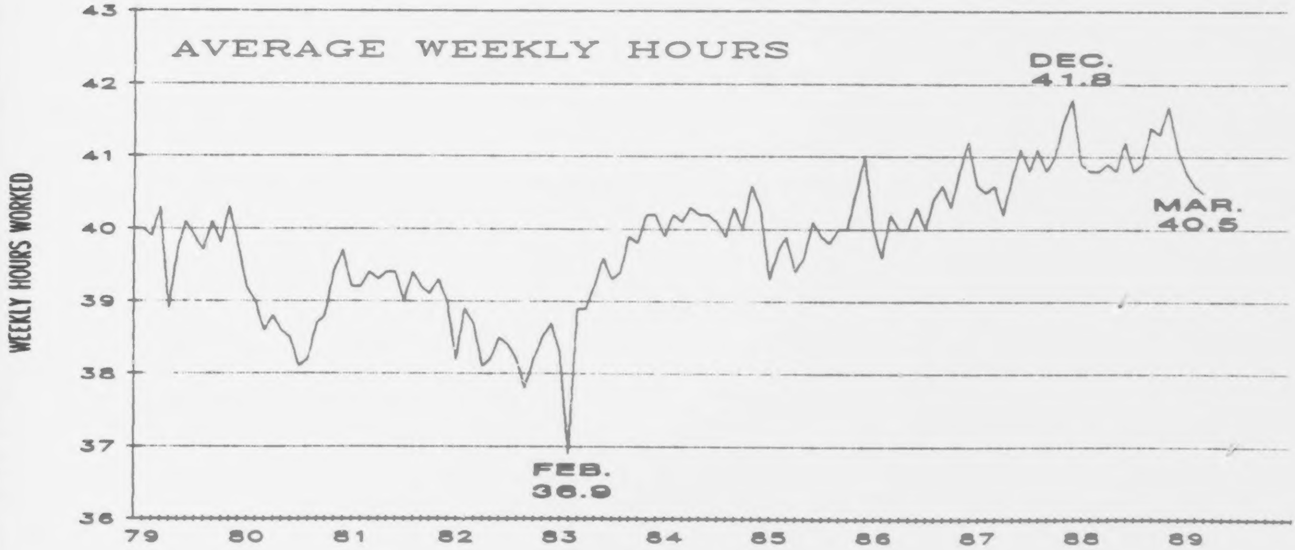
Employers in manufacturing industries begin to cut workers' hours when orders are declining. If the waning trend continues, the need to reduce the work force could follow.

In durable goods industries, only lumber and wood products had a significant change in hours worked from last month (+1.1). Furniture and fixtures workers had an increase of .2 of an hour, followed by an increase of .1 of an hour for instruments and related products workers. The remaining industries all had decreases in working hours ranging from .1 to .7 of an hour.

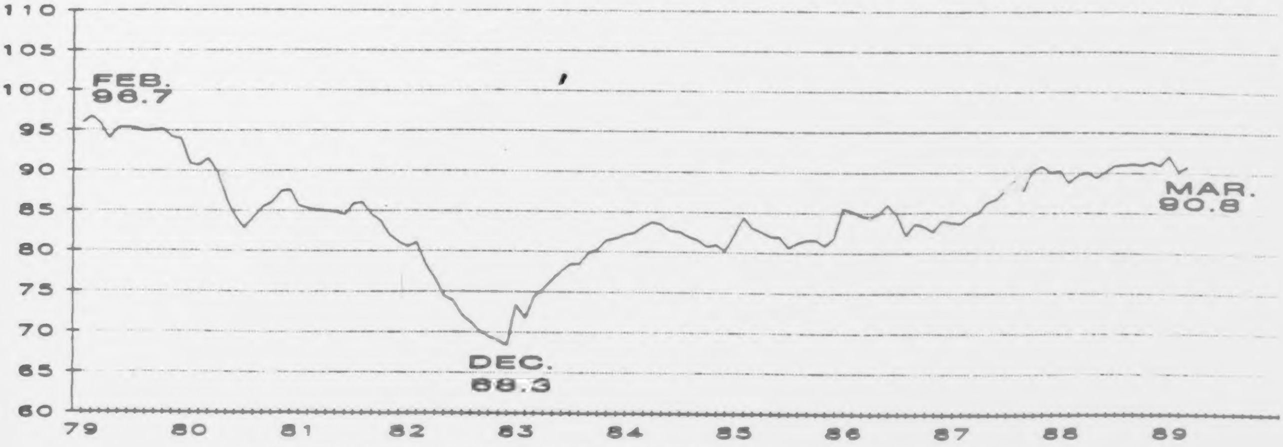
In nondurable goods industries, food and kindred products workers recorded .2 of an hour increase, with the remaining industries losing from .1 of an hour in paper products to 2.1 hours in tobacco products.

PENNSYLVANIA HOURS & EARNINGS
FOR MANUFACTURING PRODUCTION WORKERS





PENNSYLVANIA MANUFACTURING ACTIVITY INDEX
(1973=100)



SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	MARCH 1989	FEBRUARY 1988	MARCH 1988	NET CHANGE FROM FEB. 89	NET CHANGE FROM MAR. 88
CLAIMS ACTIVITY					
Initial Claims	79,091	78,866	77,033	225	2,058
Weeks Claimed	675,472	637,248	700,001	38,224	-24,529
---Average Weekly Volume	146,842	159,312	152,174	-12,470	-5,332
Insured Unemployed Rate	3.1%	3.4%	3.3%	-0.3	-0.2
PAYMENT ACTIVITY					
First Payments	34,524	43,561	31,220	-9,037	3,304
Final Payments	6,811	6,331	6,960	480	-149
Weeks Paid	688,814	561,531	662,207	127,283	26,607
Net Benefit Amount	$119,189,614	$97,154,377	$103,098,982	$22,035,237	$16,090,632
Avg. Check Amount	$173.04	$173.02	$155.69	$0.02	$17.35

UPTURN IN INITIAL CLAIMS IN MARCH

Initial claims edged upward by 225 between February and March, reversing the normal movement for the period. The initial claims total for March of 79,091 is 2,058 above a year ago. March is the first month since August 1987 that initial claims were higher than the total for the same month in the previous year. However, the March initial claims total is the second lowest for the month since 1963. Weeks claimed in March jumped by 38,224 or 6 percent from the previous month, but were 24,529 or 4 percent below a year ago. The over-the-month increase in weeks claimed is due to March containing three more weekdays than February. As a result, March had a lower average weekly volume for weeks claimed compared to February, producing a drop in the insured unemployment rate from February's 3.4 percent to March's 3.1 percent, the lowest for the month since 1970.

During March, disbursements topped income by $85.6 million reducing the cash reserves in the Trust Fund at the end of the month to $1,061 billion. The net benefit amount in March was up $22 million or 23 percent over February. The increase was generated by a 23 percent over-the-month increase in weeks paid. The average check amount was virtually unchanged from February to March.

UNEMPLOYMENT COMPENSATION TRUST FUND - MARCH 1989

Income	$ 33,584,781	Cash Reserves	$ 1,061,368,151
Disbursements	$119,188,466	Federal Loans	0
		Net Reserves	$ 1,061,368,151

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

UNADJUSTED RATES FOR SIXTY-SIX COUNTIES DROPPED IN MARCH

Unemployment rates, not adjusted for seasonality, dropped between February and March in sixty-six counties. The decreases ranged from 0.3 percentage point in Cumberland County to 2.8 percentage points in Juniata County. Only Franklin County recorded a slight increase of 0.1 percentage point.

Of the twenty-one counties that showed declines greater than 1.0 percentage point, five were in the eastern half of the State, three were in the central portion, and the other thirteen were in the western half where rates have remained stubbornly high throughout the current economic recovery. Only Lawrence County in the western half recorded a rate less than 5.0 percent, which is the rate considered to be representative of full employment by most economists. Many of these counties are considered labor surplus areas, where the unemployment rates are higher than the average for all States. All of Pennsylvania's counties recorded single digit unemployment rates in March.

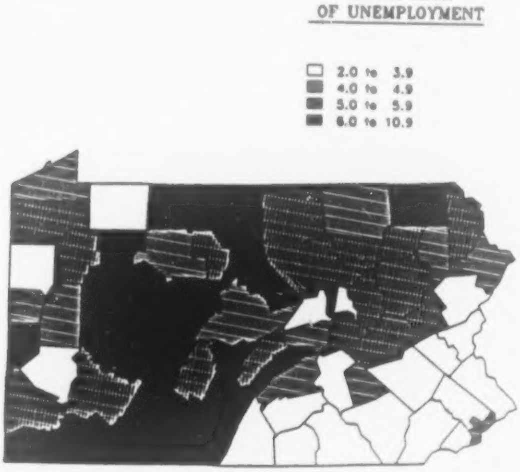


TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
MARCH - 1989

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.2	4200
Cumberland	2	2.5	2800
Montgomery	2	2.5	9700
Lancaster	4	2.7	6200
Bucks	5	2.9	8800
Delaware	5	2.9	8700
Adams	7	3.4	1300
Montour	7	3.4	300
Dauphin	9	3.5	4700
York	9	3.5	6500
Franklin	11	3.6	2100
Lehigh	11	3.6	5500
Berks	13	3.7	6600
Northampton	13	3.7	4400
Union	13	3.7	600
Allegheny	16	3.9	25800
Mercer	16	3.9	2100
Monroe	16	3.9	1800
Warren	16	3.9	800
Centre	20	4.1	2700
Bradford	21	4.2	1300
Elk	22	4.3	700
Perry	22	4.3	900
Pike	22	4.3	500
Lebanon	25	4.4	2800
Lackawanna	26	4.5	5000
Philadelphia	27	4.7	35600
Butler	28	4.8	3500
Erie	28	4.8	6400
Lawrence	30	4.9	2300
Snyder	30	4.9	1000
Mifflin	32	5.3	1100
Venango	32	5.3	1400
Washington	32	5.3	4900
Wyoming	32	5.3	700
Carbon	36	5.4	1400
Columbia	36	5.4	1700
Luzerne	36	5.4	8700
Northumberland	39	5.5	2800
Sullivan	40	5.6	200
Cameron	41	5.7	200
Schuylkill	41	5.7	4200
Westmoreland	41	5.7	9900
Crawford	44	5.8	2300
Lycoming	44	5.8	3500
Wayne	44	5.8	1100
Blair	47	5.9	3600
Tioga	47	5.9	1100
Cambria	49	6.0	3800
McKean	50	6.1	1300
Potter	51	6.3	500
Susquehanna	52	6.5	1200
Beaver	53	7.1	4300
Jefferson	53	7.1	1500
Armstrong	55	7.2	2000
Bedford	55	7.2	1500
Clarion	55	7.2	1300
Juniata	58	7.5	700
Clinton	59	7.6	1200
Fulton	60	7.7	500
Fayette	61	7.8	4600
Somerset	62	7.9	2600
Greene	63	8.1	1000
Clearfield	64	8.2	2900
Indiana	65	8.9	3200
Huntingdon	66	9.1	1700
Forest	67	9.9	200

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	MARCH 1989 * UNEMPLOYMENT NUMBER AND RATE%		FEBRUARY 1989 UNEMPLOYMENT NUMBER AND RATE%		MARCH 1988 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6128.0	5.0	6328.0	5.1	6807.0	5.6
PENNSYLVANIA	234.0	3.9	253.0	4.3	299.0	5.2
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	12.2	3.6	13.4	4.0	14.3	4.4
ALTOONA MSA	3.3	5.0	3.7	6.1	3.9	6.6
BEAVER COUNTY PMSA	4.1	6.7	4.5	7.4	6.0	9.9
ERIE MSA	5.8	4.3	6.3	4.7	8.2	6.3
HARRISBURG-LEB-CARLISLE MSA	10.1	3.0	11.1	3.4	12.3	3.9
JOHNSTOWN MSA	5.5	5.6	5.8	6.0	6.9	7.3
LANCASTER MSA	6.5	2.7	7.2	3.2	7.3	3.4
PHILADELPHIA PMSA	84.9	3.4	90.3	3.7	102.2	4.2
PITTSBURGH PMSA	41.5	4.2	43.5	4.4	57.1	5.9
READING MSA	6.0	3.3	7.0	3.9	7.8	4.6
SCRANTON--WILKES-BARRE MSA	17.3	4.7	18.9	5.2	22.0	6.2
SHARON MSA	1.9	3.6	2.0	3.8	2.7	5.4
STATE COLLEGE MSA	2.8	4.3	2.9	4.5	3.1	5.1
WILLIAMSPORT MSA	3.0	4.9	3.3	5.4	3.1	5.3
YORK MSA	7.7	3.4	8.5	3.8	9.2	4.2

* Preliminary data.

ALL LABOR MARKET AREAS IMPROVE

In March, seasonally adjusted unemployment rates for the fifteen major labor market areas declined from month-ago and year-ago levels. They ranged from 2.7 in Lancaster MSA to 6.7 in Beaver County PMSA. Thirteen areas recorded rates of 5.0 percent or less.

Even though Beaver County PMSA continued to display the highest unemployment rate, March 1989 is the first month since April 1981 that the rate was less than 7.0 percent. Its current rate of 6.7 is 3.2 percentage points less than one year ago.

SERVICE DELIVERY AREAS

Unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.2 in SDA 21 to 7.1 in SDA 05. The rates for all SDAs dropped between February and March.

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
MARCH 1989 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	133.6	127.2	6.4	4.8
02	Clarion, Crawford, Forest, Venango, Warren	105.9	100.0	5.9	5.6
03	City of Pittsburgh	175.2	167.7	7.5	4.3
04	Allegheny County minus City of Pittsburgh	479.2	460.9	18.3	3.8
05	Beaver	60.1	55.8	4.3	7.1
06	Armstrong, Butler, Indiana	137.0	128.3	8.7	6.4
07	Fayette, Westmoreland	233.3	218.7	14.6	6.2
08	Greene, Washington	105.7	99.8	6.0	5.6
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	104.4	97.4	7.0	6.7
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	202.2	188.6	13.6	6.7
11	Centre, Clinton, Lycoming, Mifflin	162.4	153.9	8.5	5.2
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	136.9	129.8	7.1	5.2
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	83.6	79.2	4.4	5.3
14	Lackawanna	110.5	105.5	5.0	4.5
15	Carbon, Monroe, Pike, Wayne	102.4	97.6	4.8	4.7
16	Luzerne, Schuylkill	235.4	222.5	12.9	5.5
17	Philadelphia	749.9	714.3	35.6	4.7
18	Bucks	300.6	291.8	8.8	2.9
19	Montgomery	394.7	385.0	9.7	2.5
20	Delaware	304.1	295.4	8.7	2.9
21	Chester	194.8	190.5	4.2	2.2
22	Lehigh, Northampton	268.1	258.2	9.9	3.7
23	Berks	179.1	172.5	6.6	3.7
24	Cumberland, Dauphin, Lebanon, Perry	326.8	315.7	11.1	3.4
25	Lancaster	225.1	218.9	6.2	2.7
26	York	185.5	179.0	6.5	3.5
27	Adams, Franklin	96.5	93.1	3.4	3.5
28	Lawrence, Mercer	99.0	94.7	4.3	4.4
	PENNSYLVANIA - TOTAL	5892.0	5642.0	250.0	4.2

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

YORK MSA
WILLIAMSPORT MSA
STATE COLLEGE MSA
SHARON MSA
SCRANTON - WILKES-BARRE MSA
READING MSA
PITTSBURGH PMSA
PHILADELPHIA PMSA
LANCASTER MSA
JOHNSTOWN MSA
HARRISBURG-LEBANON-CARLISLE MSA
ERIE MSA
BEAVER COUNTY PMSA
ALTOONA MSA
ALLENTOWN-BETHLEHEM MSA

PENNSYLVANIA'S LABOR FORCE

.... A Monthly Statistical Analysis

Highlights

- Employment retreated again in May, raising seasonally adjusted unemployment to 4.6 percent.
- Nonagricultural establishment employment rose to 5,096,000 in April, the fourth highest level on record.
- Services industry employment reached a new all-time high in April.
- Weekly hours worked in manufacturing increased slightly.
- Initial claims dropped by 9,801 in April to a total of 69,290.
- Unadjusted unemployment rates decreased in 50 counties.
- Thirty-six counties experiencing wide-spread labor shortages.

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ISSUED: JUNE 1989

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry

Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

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CURRENT LABOR FORCE SITUATION

EMPLOYMENT RETREATS AGAIN IN MAY

Pennsylvania's employment situation softened in May for the second consecutive month. After setting new highs for statewide labor force and employment as well as a 16-year low unemployment rate in March, employment retreated in April and again in May raising the state's seasonally adjusted jobless rate to 4.6 percent. The state's rate, however, remained comfortably below the nationwide rate of 5.2 percent in May.

Data made available through the Current Population Survey of households and released by the U.S. Department of Labor's Bureau of Labor Statistics, show May's seasonally adjusted employment in Pennsylvania at 5,649,000, down 28,000 since April. Despite the drop, May's level was the fifth highest on record, behind only the first four months of 1989. Compared to a year ago, employment was up a healthy 219,000.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

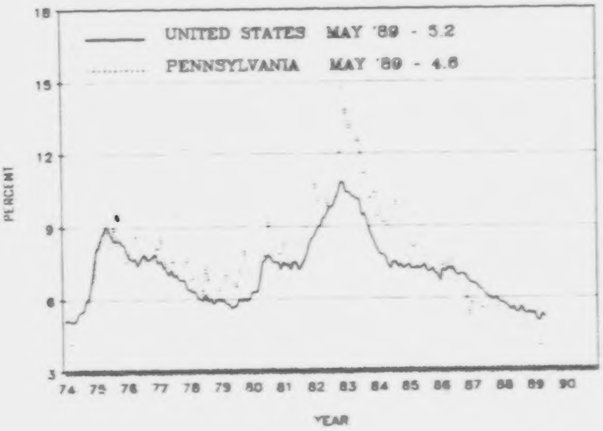


TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	MAY 1989	APR. 1989	MAY 1988	NET CHANGE FROM APR. 1989	NET CHANGE FROM MAY 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,920	5,940	5,724	-20	196
Employment	5,649	5,677	5,430	-28	219
Unemployment	271	263	294	8	-23
Rate of Unemployment (%)	4.6	4.4	5.1	0.2	-0.5
UNADJUSTED DATA					
Civilian Labor Force	5,854	5,840	5,661	14	193
Employment	5,598	5,606	5,381	-8	217
Unemployment	256	234	281	22	-25
Rate of Unemployment (%)	4.4	4.0	5.0	0.4	-0.6

Unemployment, seasonally adjusted, moved up 8,000 in response to the employment setback. At 271,000 in May, the number of jobless workers represented 4.6 percent of the labor force, seasonally adjusted, up from 4.4 percent in April. This was the highest rate of the five months in 1989, but was equal to the lowest rate attained during 1988. The rate in May 1988 was 5.1 percent. Compared with nationwide unemployment, Pennsylvania's rate has been at or below the U.S. rate for 35 of the last 36 months, representing nearly half of the six year plus economic expansion.

Unemployment, not adjusted for seasonality, was 256,000 in May, up 22,000 since April. The unadjusted rate of unemployment was 4.4 percent, up from 4.0 percent in April. Compared to a year ago, the rate was down from 5.0 percent.

PENNSYLVANIA'S JOBS

TABLE 2

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	MAY 1989 AP/	APR. 1989 P/	MAR. 1989	APR. 1988	NET CHANGE TO APR. 1989 FROM:	
					MAR. 1989	APR. 1988
NONAG. WAGE AND SALARY	5131.4	5096.0	5047.2	5022.4	48.8	73.6
---MANUFACTURING INDUSTRIES	1056.6	1054.1	1053.2	1052.7	0.9	1.4
DURABLE GOODS INDUSTRIES	603.2	601.3	601.2	602.4	0.1	-1.1
LUMBER AND WOOD PRODUCTS		31.4	30.2	31.1	1.2	0.3
FURNITURE AND FIXTURES		21.3	21.5	22.1	-0.2	-0.8
STONE, CLAY, AND GLASS PRODUCTS		47.0	46.6	47.0	0.4	0.0
PRIMARY METAL INDUSTRIES		92.4	93.0	90.3	-0.6	2.1
FABRICATED METAL PRODUCTS		91.2	91.5	91.4	-0.3	-0.2
MACHINERY, EXCEPT ELECTRICAL		111.1	110.9	107.4	0.2	3.7
ELECTRIC & ELECTRONIC EQUIPMENT		88.5	89.2	92.5	-0.7	-4.0
TRANSPORTATION EQUIPMENT		61.4	61.3	62.6	0.1	-1.2
INSTRUMENTS AND RELATED PRODUCTS		36.1	36.0	36.6	0.1	-0.5
MISCELLANEOUS MANUFACTURES		20.9	21.0	21.4	-0.1	-0.5
NONDURABLE GOODS INDUSTRIES	453.4	452.8	452.0	450.3	0.8	2.5
FOOD AND KINDRED PRODUCTS		90.8	90.6	89.5	0.2	1.3
TOBACCO MANUFACTURES		1.1	1.1	1.1	0.0	0.0
TEXTILE MILL PRODUCTS		31.0	30.9	31.1	0.1	-0.1
APPAREL AND OTHER TEXTILE PRODS.		83.1	83.2	83.5	-0.1	-0.4
PAPER AND ALLIED PRODUCTS		41.4	41.4	41.5	0.0	-0.1
PRINTING AND PUBLISHING		84.2	84.0	83.2	0.2	1.0
CHEMICALS AND ALLIED PRODUCTS		60.5	60.4	59.6	0.1	0.9
PETROLEUM AND COAL PRODUCTS		10.3	10.1	10.0	0.2	0.3
RUBBER AND PLASTICS PRODUCTS		40.2	40.0	40.2	0.2	0.0
LEATHER AND LEATHER PRODUCTS		10.2	10.3	10.6	-0.1	-0.4
---NONMANUFACTURING INDUSTRIES	4071.0	4040.4	3993.0	3967.4	47.4	73.0
MINING	27.9	27.8	27.6	29.1	0.2	-1.3
CONTRACT CONSTRUCTION	242.2	231.4	216.4	219.5	15.0	11.9
TRANSPORTATION	151.1	149.8	148.9	147.6	0.9	2.2
PUBLIC UTILITIES	103.2	102.8	103.2	103.8	-0.4	-1.0
COMMUNICATIONS		48.8	49.1	49.4	-0.3	-0.6
ELECTRIC, GAS AND SANITARY		54.0	54.1	54.4	-0.1	-0.4
WHOLESALE TRADE	271.1	270.1	269.9	268.9	0.2	1.2
RETAIL TRADE	891.4	881.8	870.9	875.0	10.9	6.8
GENERAL MERCHANDISE STORES		129.2	126.9	126.5	2.3	2.7
FINANCE, INSURANCE AND REAL ESTATE	297.7	295.5	294.4	291.2	1.1	4.3
BANKING		88.4	88.4	86.6	0.0	1.8
INSURANCE CARRIERS		85.3	85.5	84.3	-0.2	1.0
SERVICES	1378.7	1372.2	1352.6	1325.6	19.6	46.6
BUSINESS SERVICES		244.0	238.6	229.4	5.4	14.6
HEALTH SERVICES		444.2	441.8	428.3	2.4	15.9
--HOSPITALS		241.7	241.5	235.1	0.2	6.6
LEGAL SERVICES		38.2	38.2	37.6	0.0	0.6
EDUCATIONAL SERVICES		159.0	159.7	156.9	-0.7	2.1
SOCIAL SERVICES		92.6	92.1	88.9	0.5	3.7
OTHER SERVICES		394.2	382.2	384.5	12.0	9.7
GOVERNMENT	707.7	709.0	709.1	706.7	-0.1	2.3
FEDERAL		138.2	138.3	141.3	-0.1	-3.1
STATE		160.5	160.2	158.5	0.3	2.0
LOCAL		410.3	410.6	406.9	-0.3	3.4
---PERSONS IN LABOR-MGMT. DISPUTES	3.8	1.5	1.0	2.3	0.5	-0.8

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

MAY'S EMPLOYMENT LEVEL SETS A NEW RECORD HIGH

Advance preliminary figures for May indicate that Pennsylvania's total employment level reached a new all-time high. At 5,131,400, total nonagricultural employment gained 35,400 new jobs over the month.

Nonmanufacturing continued to provide most of the job growth, with construction, retail trade, and services adding the majority of new jobs. These three industries have increased the total employment by 68,600 jobs over the year.

Manufacturing, which was expected to remain almost static, gained 2,500 jobs from month-ago levels. Durable goods was responsible for 1,900 of these new jobs at a time when no seasonal increase was expected.

All major sectors recorded an increase in new jobs except government.

APRIL NONFARM EMPLOYMENT FOURTH HIGHEST ON RECORD

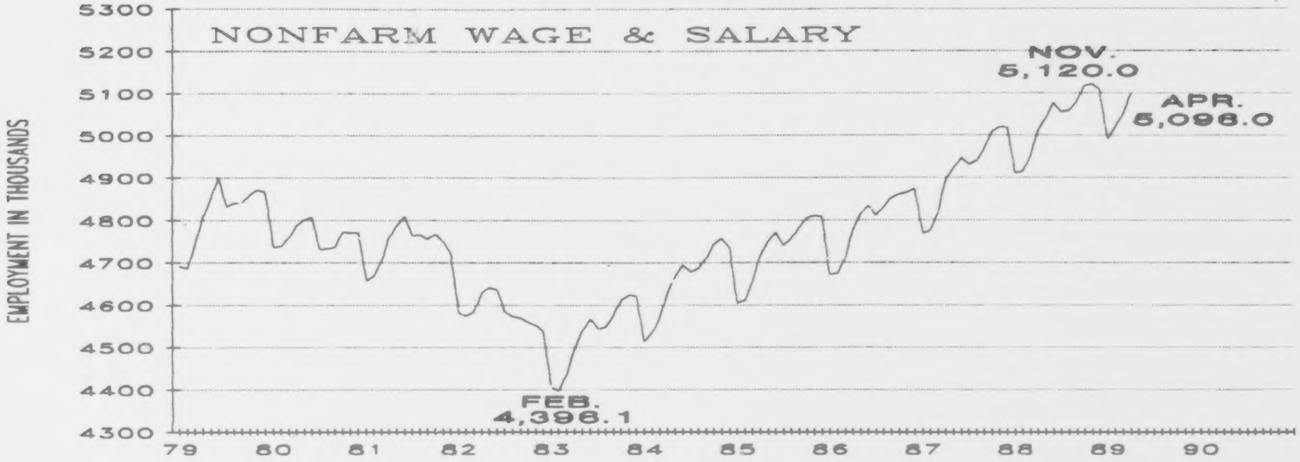
Nonagricultural establishment employment rose in April to the fourth highest level on record. Employment increased by 48,800 to 5,096,000, pushing job totals once again to near the record setting levels of last Fall. The State's factories and businesses added 73,600 jobs over the year.

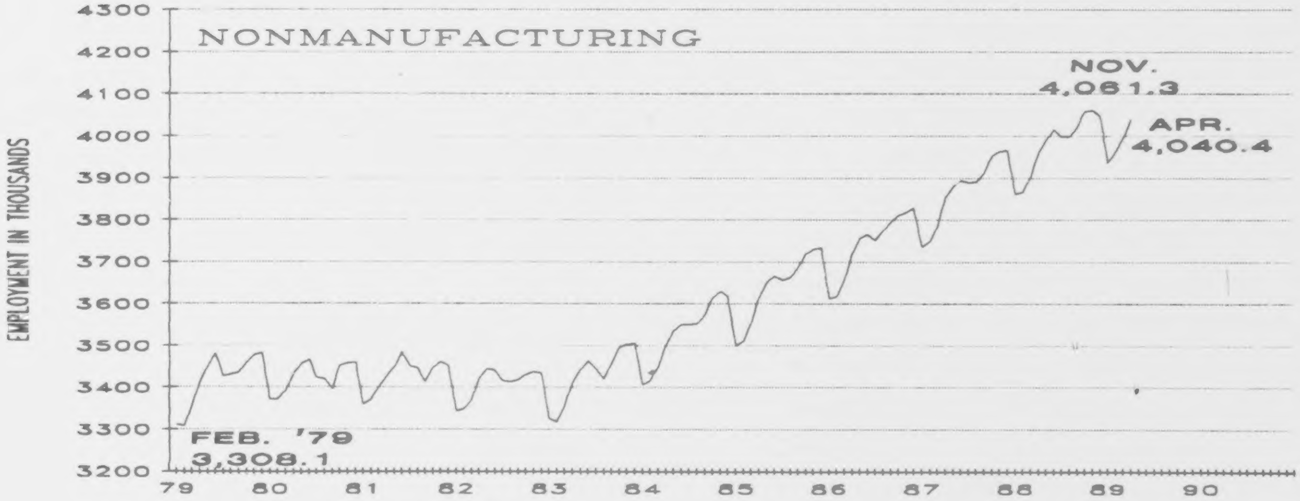
Nonmanufacturing, accounting for 97 percent of all new jobs in April, added 47,400 to payrolls which now total 4,040,400. Once again, the major stimulus came in services which reached a new record total of 1,372,200 jobs. All major nonmanufacturing sectors gained jobs except government, which reported a loss of 100 jobs in April.

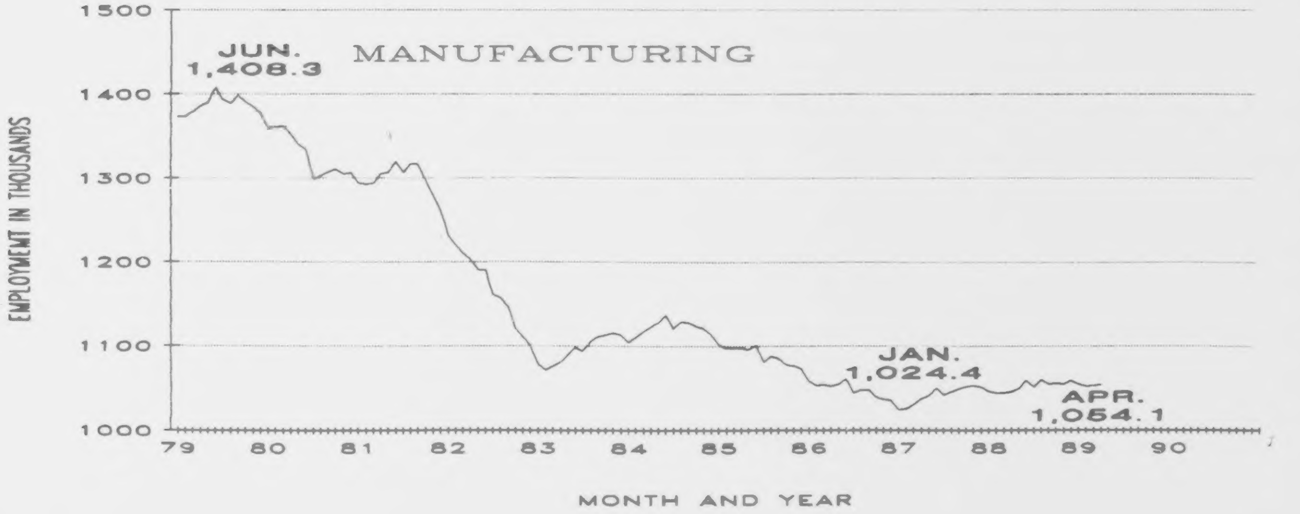
Manufacturing industries also added jobs in April, up 900 to 1,054,100. Over the year, manufacturing jobs have risen by 1,400.

Durable goods remained fairly static since March, gaining only 100 jobs. Nondurables, currently at 452,800, added 800 new jobs in April.

PENNSYLVANIA WAGE & SALARY JOBS
NOT SEASONALLY ADJUSTED DATA







HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	APR. 1989 P/	MAR. 1989	APR. 1988	APR. 1989 P	MAR. 1989	APR. 1988	APR. 1989 P/	MAR. 1989	APR. 1988
MANUFACTURING INDUSTRIES	$425.89	$426.06	$416.77	40.6	40.5	40.9	$10.49	$10.52	$10.19
DURABLE GOODS	467.74	467.58	457.80	41.8	41.6	42.0	11.19	11.24	10.90
LUMBER AND WOOD PRODUCTS	352.80	352.48	353.33	40.0	40.1	40.8	8.82	8.79	8.66
FURNITURE AND FIXTURES	365.31	359.79	347.77	40.1	39.8	39.7	9.11	9.04	8.76
STONE, CLAY, AND GLASS PRODS.	476.06	464.45	457.49	43.2	42.3	43.2	11.02	10.98	10.59
PRIMARY METALS	555.56	559.44	541.03	43.1	43.1	42.5	12.89	12.98	12.73
FABRICATED METAL PRODUCTS	447.86	446.13	449.02	41.7	41.5	42.4	10.74	10.75	10.59
NONELECTRICAL MACHINERY	493.64	496.22	479.45	43.0	43.0	43.0	11.48	11.54	11.15
ELECTRIC AND ELECTRONIC MACH.	413.70	409.37	415.11	40.4	39.9	41.1	10.24	10.26	10.10
TRANSPORTATION EQUIPMENT	528.64	541.22	531.22	41.3	41.6	42.6	12.80	13.01	12.47
INSTRUMENTS AND RELATED PROD.	431.75	432.42	426.17	40.2	40.3	41.7	10.74	10.73	10.22
MISCELLANEOUS MANUFACTURES	418.99	424.91	373.07	40.6	40.7	38.5	10.32	10.44	9.69
NONDURABLE GOODS	373.01	372.06	363.27	39.1	39.0	39.4	9.54	9.54	9.22
FOOD AND KINDRED PRODUCTS	418.15	410.26	395.40	39.9	39.6	39.5	10.48	10.36	10.01
TOBACCO PRODUCTS	270.27	252.40	246.04	41.2	40.0	40.4	6.56	6.31	6.09
TEXTILE PRODUCTS	295.71	290.86	282.30	39.8	39.2	39.1	7.43	7.42	7.22
APPAREL AND RELATED PRODUCTS	228.20	229.33	219.20	35.6	35.5	35.7	6.41	6.46	6.14
PAPER PRODUCTS	481.10	472.91	464.19	42.5	42.3	43.1	11.32	11.18	10.77
PRINTING AND PUBLISHING	427.19	430.34	433.42	38.8	38.7	39.8	11.01	11.12	10.89
CHEMICALS AND ALLIED PRODUCTS	513.70	510.75	509.46	40.9	40.6	42.0	12.56	12.58	12.13
PETROLEUM AND COAL PRODUCTS	602.03	627.92	617.04	42.1	42.6	43.7	14.30	14.74	14.12
RUBBER AND PLASTICS PRODUCTS	381.29	383.05	377.87	41.4	41.5	41.8	9.21	9.23	9.04
LEATHER PRODUCTS	242.06	248.34	225.46	36.9	37.4	36.9	6.56	6.64	6.11
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	482.89	468.61	435.71	39.1	37.7	36.8	12.35	12.43	11.84
BIT. COAL & LIGNITE MINING	690.70	677.33	645.33	42.4	41.1	41.5	16.29	16.48	15.55
COMMUNICATIONS	546.96	536.41	525.89	40.1	39.5	39.6	13.64	13.58	13.28
ELECTRIC, GAS, & SANITARY	679.97	672.65	643.69	42.9	42.6	42.6	15.85	15.79	15.11
GENERAL MERCHANDISE STORES	166.77	173.58	178.39	25.5	26.5	27.7	6.54	6.55	6.44

P/ Preliminary data.

HOURS WORKED INCREASE SLIGHTLY

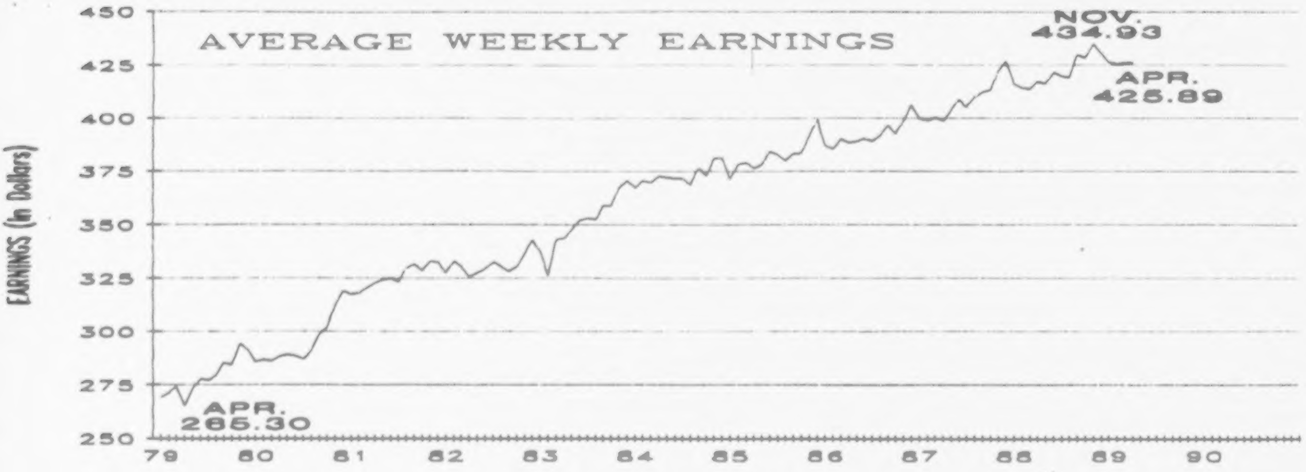
The status of Pennsylvania's manufacturing workers remained fairly stable in April. An increase of 0.1 working hour and a $.03 an hour decrease in hourly earnings resulted in paychecks of $425.89. This was only $.17 less than in March, but $9.12 more than April 1988. The only significant increase in hours worked in manufacturing was in tobacco products in the nondurable goods sector (+1.2 hours).

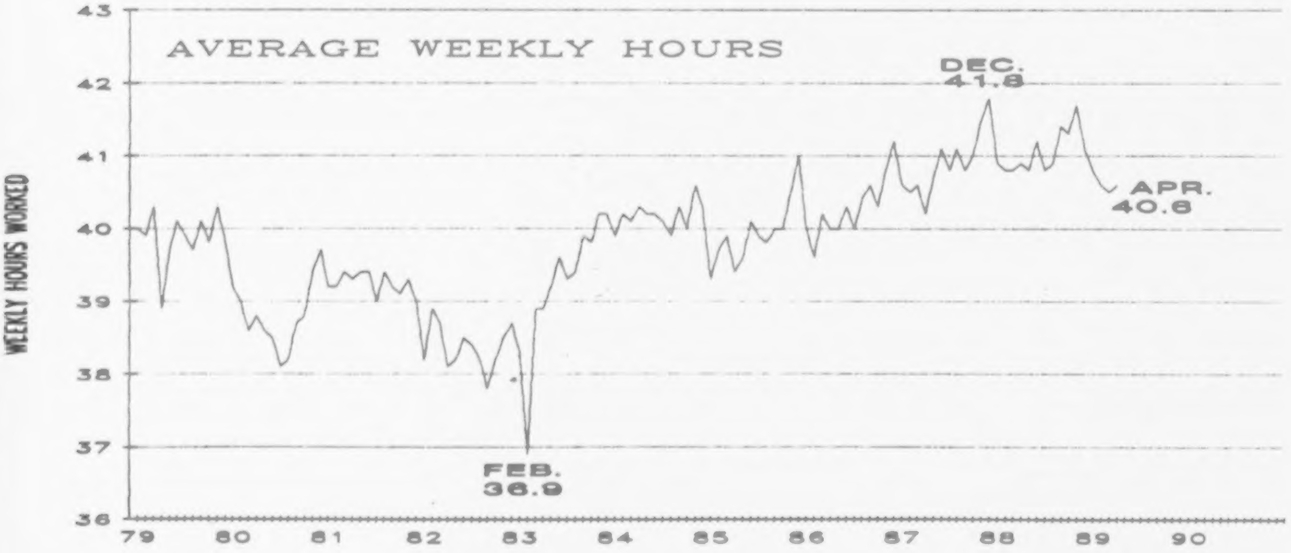
Durable (hard goods) workers received average weekly earnings of $467.74 for a 41.8 hour workweek and nondurable (soft goods) workers earned $373.01 for an average 39.1 hour workweek. In addition to the longer workweek,durable goods workers also earned an average of $1.65 an hour more than nondurable goods workers during April.

In the selected nonmanufacturing industries, general merchandise workers reduced their average workweek by one hour, while the other industries had increases of .3 of an hour to 1.4 hours a week.

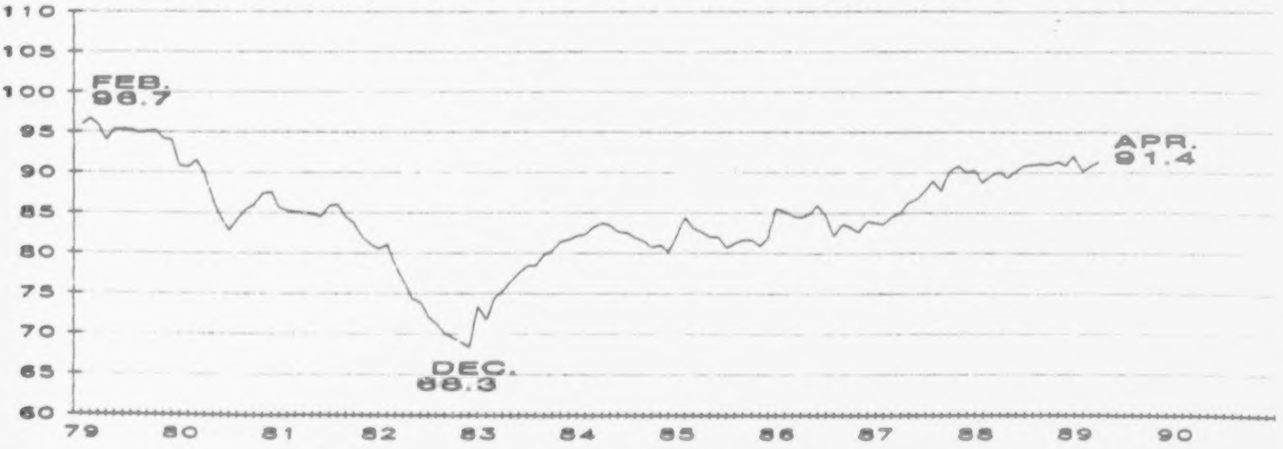
The highest hourly wage ($16.29) and the largest paycheck ($690.70) was earned by workers in the bituminous coal & lignite mining industry followed by workers in the electric, gas & sanitary services industry, with $15.85 an hour for a total paycheck of $679.97 per week.

PENNSYLVANIA HOURS & EARNINGS FOR MANUFACTURING PRODUCTION WORKERS





PENNSYLVANIA MANUFACTURING ACTIVITY INDEX (1973=100)



SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

MONTH AND YEAR

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	APRIL 1989	MARCH 1989	APRIL 1988	NET CHANGE FROM MAR. 89	NET CHANGE FROM APR. 88
CLAIMS ACTIVITY					
Initial Claims	69,290	79,091	73,720	-9,801	-4,430
Weeks Claimed	522,734	675,472	513,235	-152,738	9,499
---Average Weekly Volume	130,684	146,842	122,199	-16,158	8,485
Insured Unemployed Rate	2.8%	3.1%	2.6%	-0.3	0.2
PAYMENT ACTIVITY					
First Payments	25,220	34,524	25,242	-9,304	-22
Final Payments	6,843	6,811	7,258	32	-415
Weeks Paid	480,916	688,814	483,877	-207,898	-2,961
Net Benefit Amount	$81,575,277	$119,189,614	$73,646,354	-$37,614,337	$7,928,923
Avg. Check Amount	$169.62	$173.04	$152.20	-$3.42	$17.42

CLAIMS ACTIVITY SLOWS IN APRIL

Initial claims dropped sharply in April, falling by 9,801 or 12 percent from the March total to 69,290. By comparison, initial claims during 1988 fell by only 4 percent or 3,313 between March and April, and in each year from 1979 through 1987 initial claims increased from March to April. Compared to a year ago, initial claims in April are down 4,430 or 6 percent. In accordance with the normal seasonal trend, the weeks claimed total underwent a steep decline between March and April. Despite the 152,738 or 23 percent downturn from a month ago, the weeks claimed total of 522,734 for April is 9,499 above the year ago level. As a result, the insured unemployment rate for April 1989 of 2.8 percent, which is the year's low-to-date, exceeds the April 1988 rate of 2.6 percent.

The average check amount for April slipped to $169.62 after hovering at $173 the previous two months. Disbursements from the Trust Fund during April edged income by $3.4 million, reducing cash reserves in the Trust Fund at the end of the month to $1.058 billion.

UNEMPLOYMENT COMPENSATION TRUST FUND - APRIL 1989

Income	$ 78,131,546	Cash Reserves	$ 1,057,926,582
Disbursements	$ 81,573,115	Net Reserves	$ 1,057,926,582

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

UNADJUSTED UNEMPLOYMENT RATES DOWN IN MANY COUNTIES

Unemployment rates, not adjusted for seasonality, declined in 50 of Pennsylvania's counties during April, with rates ranging from a low of 2.1 percent in Chester County to a high of 8.4 percent in Forest County.

Only nine counties recorded an increase in rates over the month, with the remaining eight counties maintaining their month-ago levels.

Thirty-six counties displayed rates of 5.0 percent or less in April; the rate considered full employment by most economists. Most of these 36 counties are experiencing wide-spread labor shortages.

With declining unemployment rates, Columbia, Tioga, Washington, Wayne, and Wyoming counties fell into the 5.0 percent and lower group in April.

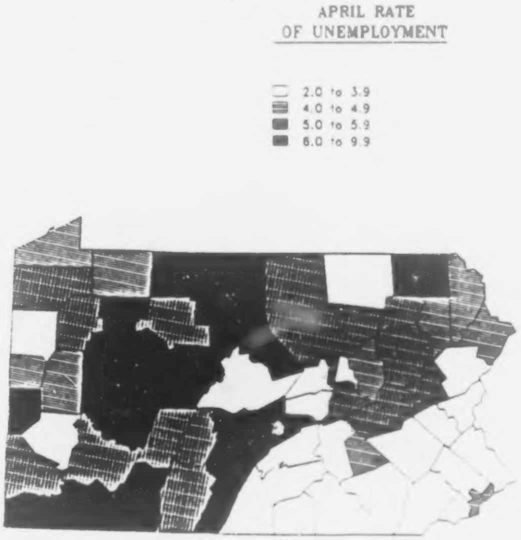

APRIL RATE OF UNEMPLOYMENT

TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
APRIL - 1989

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.1	4100
Cumberland	2	2.2	2400
Montgomery	3	2.4	9400
Lancaster	4	2.5	5700
Adams	5	2.7	1100
Bucks	5	2.7	8200
Delaware	7	2.8	8400
Franklin	8	2.9	1600
Dauphin	9	3.2	4200
Snyder	10	3.4	600
Northampton	11	3.5	4100
York	11	3.5	6400
Centre	13	3.6	2300
Montour	13	3.6	300
Perry	13	3.6	700
Union	13	3.6	600
Allegheny	17	3.7	24200
Berks	17	3.7	6600
Lehigh	17	3.7	5500
Mercer	17	3.7	2000
Monroe	17	3.7	1700
Bradford	22	3.8	1200
Pike	23	4.1	500
Butler	24	4.2	3000
Columbia	24	4.2	1300
Lebanon	24	4.2	2700
Warren	24	4.2	900
Lackawanna	28	4.5	4900
Lawrence	28	4.5	2100
Philadelphia	30	4.6	34400
Wayne	31	4.7	900
Erie	32	4.8	6400
Elk	33	5.0	900
Tioga	33	5.0	900
Washington	33	5.0	4700
Wyoming	33	5.0	700
Luzerne	37	5.1	8100
Sullivan	37	5.1	100
Westmoreland	37	5.1	8700
Cambria	40	5.3	3400
Venango	40	5.3	1300
Crawford	42	5.4	2100
Northumberland	43	5.5	2700
Blair	44	5.6	3400
Carbon	44	5.6	1400
Lycoming	44	5.6	3400
Schuylkill	47	5.7	4200
Bedford	48	5.8	1200
Clarion	49	6.2	1100
Fulton	49	6.2	400
Jefferson	49	6.2	1300
McKean	49	6.2	1300
Susquehanna	49	6.2	1100
Mifflin	54	6.3	1300
Armstrong	55	6.4	1800
Potter	56	6.5	500
Beaver	57	6.8	4100
Clinton	57	6.8	1000
Somerset	57	6.8	2200
Cameron	60	7.0	200
Fayette	61	7.2	4200
Clearfield	62	7.4	2600
Huntingdon	63	7.6	1400
Juniata	63	7.6	700
Indiana	65	7.9	2800
Greene	66	8.3	1000
Forest	67	8.4	200

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	APRIL 1989 * UNEMPLOYMENT NUMBER AND RATE%		MARCH 1989 UNEMPLOYMENT NUMBER AND RATE%		APRIL 1988 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6546.0	5.3	6128.0	5.0	6668.0	5.5
PENNSYLVANIA	258.0	4.4	234.0	3.9	288.0	5.0
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	14.1	4.2	12.5	3.7	13.5	4.2
ALTOONA MSA	3.9	6.3	3.3	5.3	4.0	6.7
BEAVER COUNTY PMSA	4.6	7.6	4.1	6.7	5.7	9.4
ERIE MSA	6.9	5.1	6.1	4.5	7.5	5.8
HARRISBURG-LEB-CARLISLE MSA	11.4	3.4	10.3	3.1	12.0	3.8
JOHNSTOWN MSA	6.2	6.4	5.6	5.7	6.5	6.9
LANCASTER MSA	6.9	3.0	6.5	2.8	7.5	3.4
PHILADELPHIA PMSA	93.1	3.8	83.8	3.4	97.3	4.0
PITTSBURGH PMSA	46.0	4.6	43.1	4.3	55.9	5.8
READING MSA	6.4	3.6	6.0	3.3	7.2	4.2
SCRANTON--WILKES-BARRE MSA	18.4	5.0	17.4	4.7	20.0	5.6
SHARON MSA	2.2	4.2	1.8	3.4	2.4	4.8
STATE COLLEGE MSA	2.8	4.3	2.7	4.1	2.9	4.7
WILLIAMSPORT MSA	3.6	5.9	3.1	5.0	2.9	4.8
YORK MSA	8.4	3.7	7.8	3.4	8.9	4.1

* Preliminary data.

UNEMPLOYMENT RATES UP SLIGHTLY IN ALL MSAs

During April, seasonally adjusted unemployment rates rose slightly in all of Pennsylvania's fifteen major Labor Market Areas from month-ago levels. However, thirteen areas recorded declines from this period last year; one area increased its rate (Williamsport MSA); and one area remained the same (Allentown-Bethlehem MSA).

In the March 1989 ranking of 256 major Labor Market Areas in the nation, Beaver County PMSA ranked 37th on the high end and Lancaster MSA ranked 247th on the low end, with rankings reported highest to lowest. Philadelphia PMSA and Harrisburg-Lebanon-Carlisle MSA tied for 223rd place on the lower end.

SERVICE DELIVERY AREAS

Unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.1 for SDA 21 to 6.8 for SDA 05. Five SDAs maintained their March rates, while 23 SDAs recorded increases in the realm of 0.1 to 0.9 percentage point. These increases correspond with the State's 0.2 percentage point increase over the month.

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
APRIL 1989 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	132.1	125.7	6.4	4.8
02	Clarion, Crawford, Forest, Venango, Warren	105.1	99.5	5.6	5.3
03	City of Pittsburgh	174.2	167.2	7.0	4.0
04	Allegheny County minus City of Pittsburgh	476.7	459.4	17.2	3.6
05	Beaver	59.6	55.5	4.1	6.8
06	Armstrong, Butler, Indiana	135.2	127.7	7.6	5.6
07	Fayette, Westmoreland	230.9	218.0	12.9	5.6
08	Greene, Washington	105.0	99.3	5.7	5.4
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	103.8	97.1	6.7	6.4
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	200.6	188.7	11.9	5.9
11	Centre, Clinton, Lycoming, Mifflin	160.9	152.9	8.0	5.0
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	134.9	128.6	6.3	4.7
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	82.6	78.6	4.0	4.8
14	Lackawanna	109.5	104.6	4.9	4.5
15	Carbon, Monroe, Pike, Wayne	102.2	97.7	4.5	4.4
16	Luzerne, Schuylkill	233.2	220.9	12.3	5.3
17	Philadelphia	741.5	707.2	34.4	4.6
18	Bucks	297.1	288.9	8.2	2.7
19	Montgomery	390.5	381.2	9.4	2.4
20	Delaware	300.8	292.4	8.4	2.8
21	Chester	192.7	188.6	4.1	2.1
22	Lehigh, Northampton	266.6	256.9	9.6	3.6
23	Berks	177.5	170.9	6.6	3.7
24	Cumberland, Dauphin, Lebanon, Perry	325.1	315.1	9.9	3.1
25	Lancaster	223.9	218.3	5.7	2.5
26	York	183.6	177.2	6.4	3.5
27	Adams, Franklin	95.2	92.6	2.7	2.8
28	Lawrence, Mercer	99.1	95.0	4.1	4.1
	PENNSYLVANIA - TOTAL	5840.0	5606.0	234.0	4.0

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

56845-1

ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON /WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

PENNSYLVANIA'S LABOR FORCE

.... A Monthly Statistical Analysis

HIGHLIGHTS

- Unemployment rate drops to 4.0 percent in June—second-lowest in nearly 20 years.
- June's nonagricultural job level of 5,145,500 the highest on record.
- Average weekly hours for manufacturing production workers retreat to March level of 40.5.
- Initial claims and weeks claimed increase during May.
- Unemployment compensation Trust Fund balance of $1,530,235,490 largest ever recorded.
- All counties retain single-digit unemployment rates in May.
- Unemployment rates stable in most major labor market areas.

INSIDE

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ISSUED: JULY 1989

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry
Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis

is published monthly by the Bureau of Research and Statistics. Focusing on economic information and analysis, the publication is intended for a variety of users from business leaders, government administrators and planners to the general public.

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Analyst	Phone Number	Counties
Edward Murray	(215)560-1977 560-1978	Bucks, Chester, Delaware, Montgomery, Philadelphia Counties in PA; Burlington, Camden, and Gloucester Counties in NJ
Kenneth Shockley	(215)378-4314	Carbon, Lehigh, Northampton, Pike, Wayne, Schuylkill, Berks Counties in PA; Warren County, NJ
John H. Ruehlman, Jr.	(717)826-2538 826-2418	Columbia, Lackawanna, Luzerne, Monroe, Wyoming, Sullivan, Susquehanna, Bradford, Tioga
James J. Mowad	(717)783-3294 783-3908	Cumberland, Dauphin, Lebanon, Perry, Lancaster, Adams, York, Franklin, Fulton
Glenn Lynn	(717)327-3504 327-3532	Centre, Lycoming, Potter, Juniata, Mifflin, Clinton, Montour, Northumberland, Snyder, Union
William Findley	(814)533-2213 533-2207	Blair, Cambria, Somerset, Bedford, Clearfield, Jefferson, Huntingdon, Elk, Cameron, Greene
William Ceriani	(412)565-5350 565-5324 565-5346	Beaver, Allegheny, Fayette, Washington, Westmoreland, Butler, Indiana, Armstrong, Lawrence
Carol Patterson	(814)871-4298 871-4765	Erie, Mercer, McKean, Clarion, Crawford, Forest

CURRENT LABOR FORCE SITUATION

UNEMPLOYMENT RATE DROPS TO 4.0 PERCENT IN JUNE

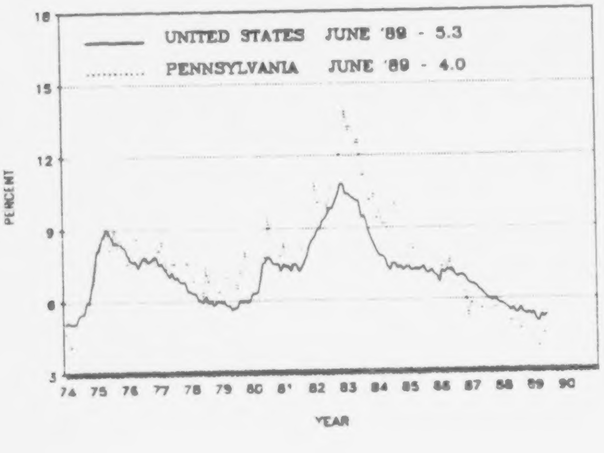
Job creation in Pennsylvania regained momentum in June following losses in April and May. Employment, seasonally adjusted, rebounded 29,000 in June, dropping the statewide jobless rate to 4.0 percent, seasonally adjusted. This was well below the nationwide rate of 5.3 percent in June.

Data, made available through the Current Population Survey of households and released by the U.S. Department of Labor's Bureau of Labor Statistics, show June's seasonally adjusted employment in Pennsylvania at 5,678,000, up 29,000 since May. The gain recovered all of May's loss, lifting employment to the fourth-highest level on record. The three highest months were January through March of this year. Compared to a year ago, employment was up a healthy 224,000. During the past two years, employment gained 345,000.

TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	JUNE 1989	MAY 1989	JUNE 1988	NET CHANGE FROM MAY 1989	NET CHANGE FROM JUNE 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,917	5,920	5,749	-3	168
Employment	5,678	5,649	5,454	29	224
Unemployment	239	271	295	-32	-56
Rate of Unemployment (%)	4.0	4.6	5.1	-0.6	-1.1
UNADJUSTED DATA					
Civilian Labor Force	5,981	5,854	5,814	127	167
Employment	5,709	5,598	5,487	111	222
Unemployment	272	256	327	16	-55
Rate of Unemployment (%)	4.6	4.4	5.6	0.2	-1.0

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)



Unemployment, seasonally adjusted, fell 32,000 in response to the employment gain. At 239,000 in June, the number of jobless workers represented 4.0 percent of the labor force, seasonally adjusted, down from 4.6 percent in May. This was the second-lowest rate of unemployment in nearly 20 years; only the March 1989 rate of 3.9 percent was lower. Rates below 3.9 percent have not occurred since January and February 1970 when the rate was 3.2 percent. Compared to a year ago, the June rate was down from 5.1 percent representing 56,000 fewer jobless workers. Compared with two years ago, the June rate was down from 5.7 percent representing 95,000 fewer jobless workers.

The vast majority of summer entrants to the labor force found jobs, pushing statewide unadjusted employment to 5,709,000, up 111,000 from May. The employment gain accounted for a very high portion of the 127,000 net increase to the labor force, which reached 5,981,000 in June, the highest level on record.

TABLE 2

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	JUNE 1989 AP/	MAY 1989 P/	APR. 1989	MAY 1988	NET CHANGE TO MAY 1989 FROM:	
					APR. 1989	MAY 1988
NONAG. WAGE AND SALARY	5145.5	5113.4	5096.8	5050.2	16.6	63.2
---MANUFACTURING INDUSTRIES	1055.1	1053.7	1054.0	1054.4	-0.3	-0.7
DURABLE GOODS INDUSTRIES	601.6	601.3	601.1	603.3	0.2	-2.0
LUMBER AND WOOD PRODUCTS		31.3	31.2	31.7	0.1	-0.4
FURNITURE AND FIXTURES		21.4	21.3	21.7	0.1	-0.3
STONE, CLAY, AND GLASS PRODUCTS		47.3	47.0	47.2	0.3	0.1
PRIMARY METAL INDUSTRIES		92.5	92.5	90.8	0.0	1.7
FABRICATED METAL PRODUCTS		90.7	91.2	91.5	-0.5	-0.8
MACHINERY, EXCEPT ELECTRICAL		111.8	111.1	107.8	0.7	4.0
ELECTRIC & ELECTRONIC EQUIPMENT		88.0	88.4	92.4	-0.4	-4.4
TRANSPORTATION EQUIPMENT		61.3	61.5	62.3	-0.2	-1.0
INSTRUMENTS AND RELATED PRODUCTS		36.0	36.0	36.6	0.0	-0.6
MISCELLANEOUS MANUFACTURES		21.0	20.9	21.3	0.1	-0.3
NONDURABLE GOODS INDUSTRIES	453..5	452.4	452.9	451.1	-0.5	1.3
FOOD AND KINDRED PRODUCTS		90.6	90.9	89.6	-0.3	1.0
TOBACCO MANUFACTURES		1.1	1.1	1.1	0.0	0.0
TEXTILE MILL PRODUCTS		31.0	30.8	31.1	0.2	-0.1
APPAREL AND OTHER TEXTILE PRODS.		82.3	83.2	83.7	-0.9	-1.4
PAPER AND ALLIED PRODUCTS		41.8	41.4	41.7	0.4	0.1
PRINTING AND PUBLISHING		84.3	84.3	83.2	0.0	1.1
CHEMICALS AND ALLIED PRODUCTS		60.9	60.5	59.9	0.4	1.0
PETROLEUM AND COAL PRODUCTS		10.4	10.3	10.2	0.1	0.2
RUBBER AND PLASTICS PRODUCTS		39.9	40.2	40.1	-0.3	-0.2
LEATHER AND LEATHER PRODUCTS		10.1	10.2	10.5	-0.1	-0.4
---NONMANUFACTURING INDUSTRIES	4088.7	4056.1	4041.3	3994.2	14.8	61.9
MINING	28.1	28.0	27.8	29.2	0.2	-1.2
CONTRACT CONSTRUCTION	249.1	237.3	231.4	231.1	5.9	6.2
TRANSPORTATION	152.1	150.8	151.0	149.0	-0.2	1.8
PUBLIC UTILITIES	103.6	103.2	102.8	105.1	0.4	-1.9
COMMUNICATIONS		48.8	48.8	50.1	0.0	-1.3
ELECTRIC, GAS AND SANITARY		54.4	54.0	55.0	0.4	-0.6
WHOLESALE TRADE	272.6	271.0	270.4	269.8	0.6	1.2
RETAIL TRADE	895.4	887.4	880.9	883.3	6.5	4.1
GENERAL MERCHANDISE STORES		126.6	128.8	125.6	-2.2	1.0
FINANCE, INSURANCE AND REAL ESTATE	300.6	297.4	295.5	292.4	1.9	5.0
BANKING		88.7	88.3	86.5	0.4	2.2
INSURANCE CARRIERS		85.3	85.5	84.7	-0.2	0.6
SERVICES	1383.1	1375.1	1372.3	1329.3	2.8	45.8
BUSINESS SERVICES		244.9	244.0	230.2	0.9	14.7
HEALTH SERVICES		445.4	444.1	428.7	1.3	16.7
--HOSPITALS		242.4	241.7	235.1	0.7	7.3
LEGAL SERVICES		38.2	38.2	37.8	0.0	0.4
EDUCATIONAL SERVICES		150.7	159.1	148.9	-8.4	1.8
SOCIAL SERVICES		93.1	92.6	89.2	0.5	3.9
OTHER SERVICES		402.8	394.3	394.5	8.5	8.3
GOVERNMENT	704.1	705.9	709.2	705.0	-3.3	0.9
FEDERAL		138.7	138.4	141.6	0.3	-2.9
STATE		155.7	160.4	153.7	-4.7	2.0
LOCAL		411.5	410.4	409.7	1.1	1.8
---PERSONS IN LABOR-MGMT. DISPUTES	1.7	3.6	1.5	1.6	2.1	2.0

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

JUNE'S JOB LEVEL THE HIGHEST ON RECORD

According to advance preliminary figures from a survey of businesses in Pennsylvania, June's nonagricultural employment level of 5,145,500 set a new record high. An increase of 32,100 jobs over the month was higher than normal for this period.

All of the job growth came from nonmanufacturing industries, with growth in all divisions, except government. This drop was due to school closings and the loss of school bus driver, cafeteria worker and janitor jobs in local government. However, the losses were less than expected. The major gains were in construction (+11,800), and retail trade and services (+8,000 each).

Manufacturing industries showed an increase of 1,400 since May, but were down 8,200 from a year ago.

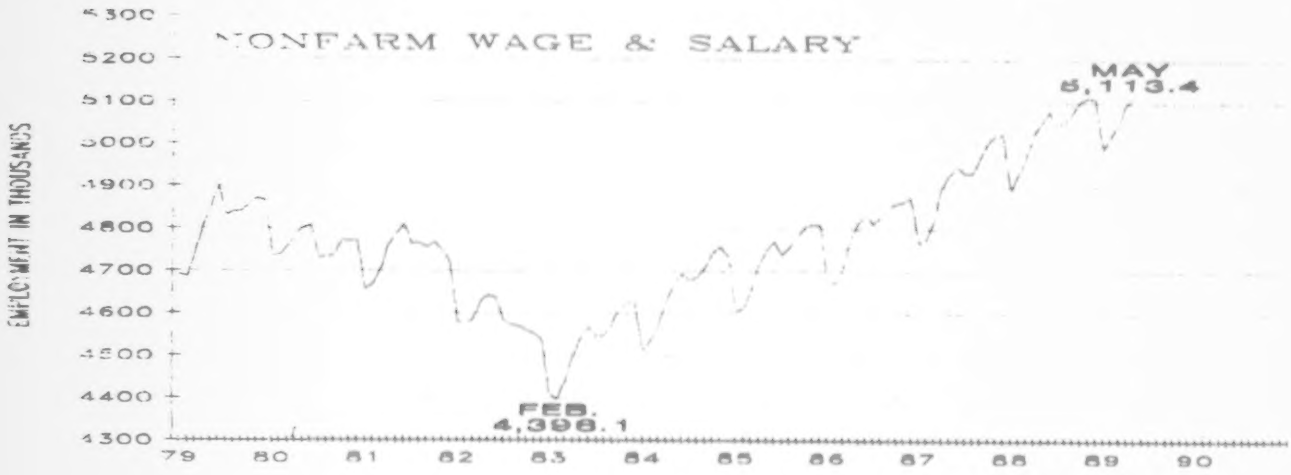
ANOTHER RECORD JOB LEVEL ATTAINED IN PENNSYLVANIA

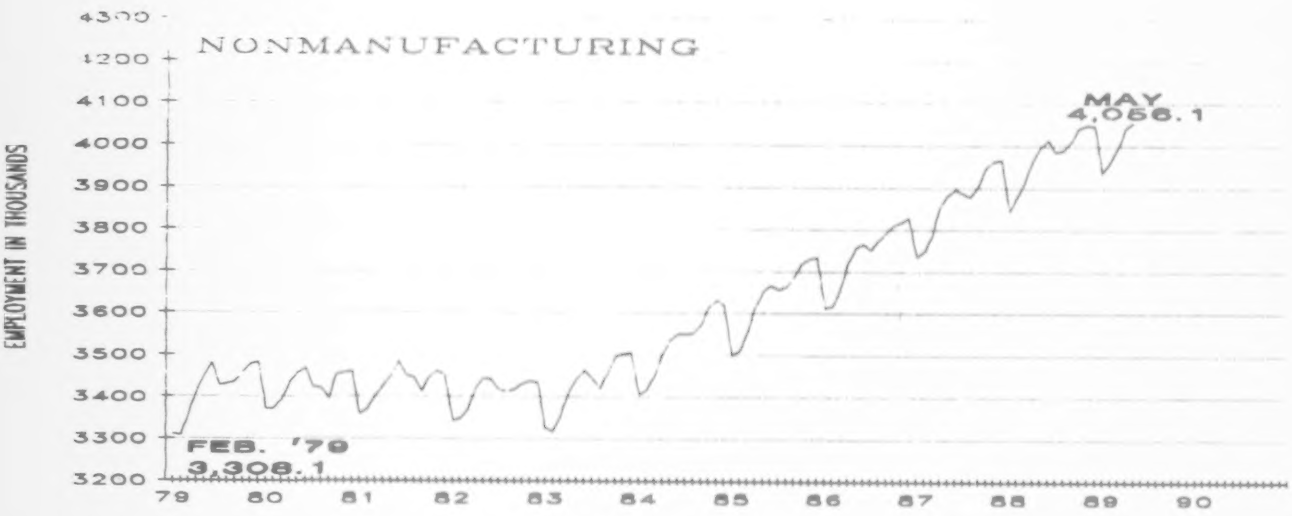
The number of nonagricultural jobs in Pennsylvania increased to 5,113,400 in May reflecting a gain of 16,600 since the mid-April report period. While the April-May rise was roughly half the normal spring upturn, it was sufficient to propel Commonwealth payrolls to their highest level ever, 63,200 above the year-ago count. The ongoing ability of Pennsylvania's economy to create and maintain jobs has been clearly evident during the past year as this period encompassed the ten highest months of payroll employment on record.

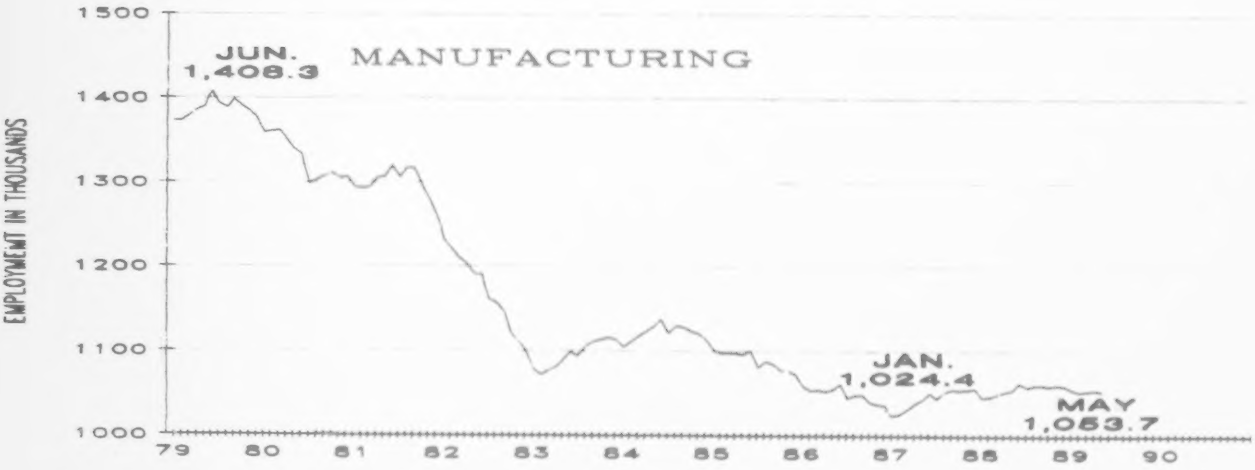
Nonmanufacturing gained 14,800 over the month and 61,900 over the year to set a new record high of 4,056,100 jobs. In this division, gains were forthcoming in retail trade (+6,500), construction (+5,900), and services (+2,800), especially in health services, and amusement and recreation services. However, these gains were offset by a loss in educational services. State government experiences a drop in jobs this time of year, with many student employes leaving for the summer when colleges and universities close. Services, with 1,375,100 jobs during May, also achieved another record high.

Manufacturing displayed the signs of a typical May, losing 300 jobs to total 1,053,700. Manufacturing job performance has been sluggish during recent months as the sharp increase in the dollar during 1989 may have halted export-related improvement.

PENNSYLVANIA WAGE & SALARY JOBS
NOT SEASONALLY ADJUSTED DATA







MONTH AND YEAR

HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	MAY 1989 P/	APR. 1989	MAY 1988	MAY 1989 P/	APR. 1989	MAY 1988	MAY 1989 P/	APR. 1989	MAY 1988
MANUFACTURING INDUSTRIES	$426.06	$426.30	$415.75	40.5	40.6	40.8	$10.52	$10.50	$10.19
DURABLE GOODS	465.50	467.74	455.62	41.6	41.8	41.8	11.19	11.19	10.90
LUMBER AND WOOD PRODUCTS	358.43	353.76	351.19	40.5	40.2	40.6	8.85	8.80	8.65
FURNITURE AND FIXTURES	368.55	363.60	352.72	40.5	40.0	39.9	9.10	9.09	8.84
STONE, CLAY, AND GLASS PRODS.	467.42	475.20	456.66	42.3	43.2	43.0	11.05	11.00	10.62
PRIMARY METALS	547.38	551.26	540.18	42.4	42.8	42.5	12.91	12.88	12.71
FABRICATED METAL PRODUCTS	449.17	446.78	445.21	41.9	41.6	42.2	10.72	10.74	10.55
NONELECTRICAL MACHINERY	494.93	494.07	475.68	43.0	43.0	42.7	11.51	11.49	11.14
ELECTRIC AND ELECTRONIC MACH.	409.24	412.67	411.26	40.2	40.3	40.8	10.18	10.24	10.08
TRANSPORTATION EQUIPMENT	529.01	528.23	526.63	41.2	41.3	42.3	12.84	12.79	12.45
INSTRUMENTS AND RELATED PROD.	438.07	445.37	410.84	40.6	41.2	40.2	10.79	10.81	10.22
MISCELLANEOUS MANUFACTURES	419.52	418.37	380.98	40.3	40.5	38.6	10.41	10.33	9.87
NONDURABLE GOODS	374.79	373.80	364.19	39.0	39.1	39.5	9.61	9.56	9.22
FOOD AND KINDRED PRODUCTS	425.25	416.06	404.81	40.5	39.7	40.4	10.50	10.48	10.02
TOBACCO PRODUCTS	266.62	270.27	243.67	41.4	41.2	41.3	6.44	6.56	5.90
TEXTILE PRODUCTS	294.32	296.40	280.80	39.4	40.0	39.0	7.47	7.41	7.20
APPAREL AND RELATED PRODUCTS	225.69	227.91	219.30	35.1	35.5	35.6	6.43	6.42	6.16
PAPER PRODUCTS	483.94	483.51	470.88	42.6	42.6	43.2	11.36	11.35	10.90
PRINTING AND PUBLISHING	419.14	425.37	421.50	38.0	38.6	39.1	11.03	11.02	10.78
CHEMICALS AND ALLIED PRODUCTS	511.19	509.97	513.46	40.7	40.7	42.4	12.56	12.53	12.11
PETROLEUM AND COAL PRODUCTS	625.62	633.57	641.79	42.3	43.1	44.6	14.79	14.70	14.39
RUBBER AND PLASTICS PRODUCTS	384.29	381.80	374.64	41.5	41.5	42.0	9.26	9.20	8.92
LEATHER PRODUCTS	246.75	244.40	225.34	37.5	37.2	36.7	6.58	6.57	6.14
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	489.14	482.49	428.40	39.1	39.1	35.7	12.51	12.34	12.00
BIT. COAL & LIGNITE MINING	674.04	690.70	632.89	41.1	42.4	40.7	16.40	16.29	15.55
COMMUNICATIONS	555.74	545.60	532.27	40.3	40.0	39.9	13.79	13.64	13.34
ELECTRIC, GAS, & SANITARY	672.23	681.68	642.41	42.6	42.9	42.6	15.78	15.89	15.08
GENERAL MERCHANDISE STORES	189.11	176.36	175.70	28.1	26.6	27.8	6.73	6.63	6.32

P/ Preliminary data.

AVERAGE WEEKLY HOURS RETREAT TO MARCH LEVEL

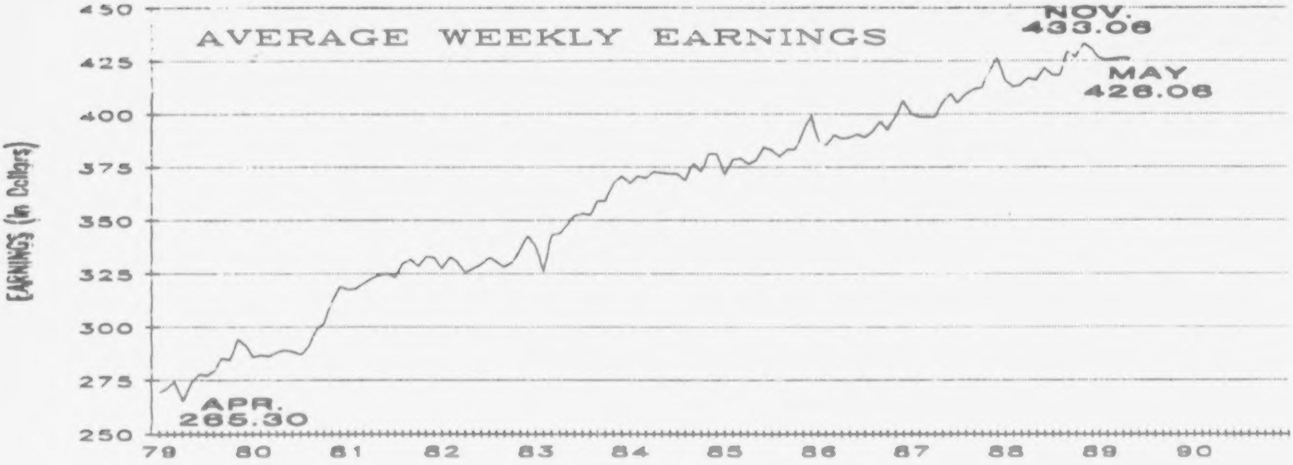
Average weekly hours worked by Pennsylvania's manufacturing production workers dropped 0.1 of an hour in May, retreating to the March level of 40.5. Even with a $.02 per hour increase, paychecks averaged $.24 less than last month for a total of $426.06.

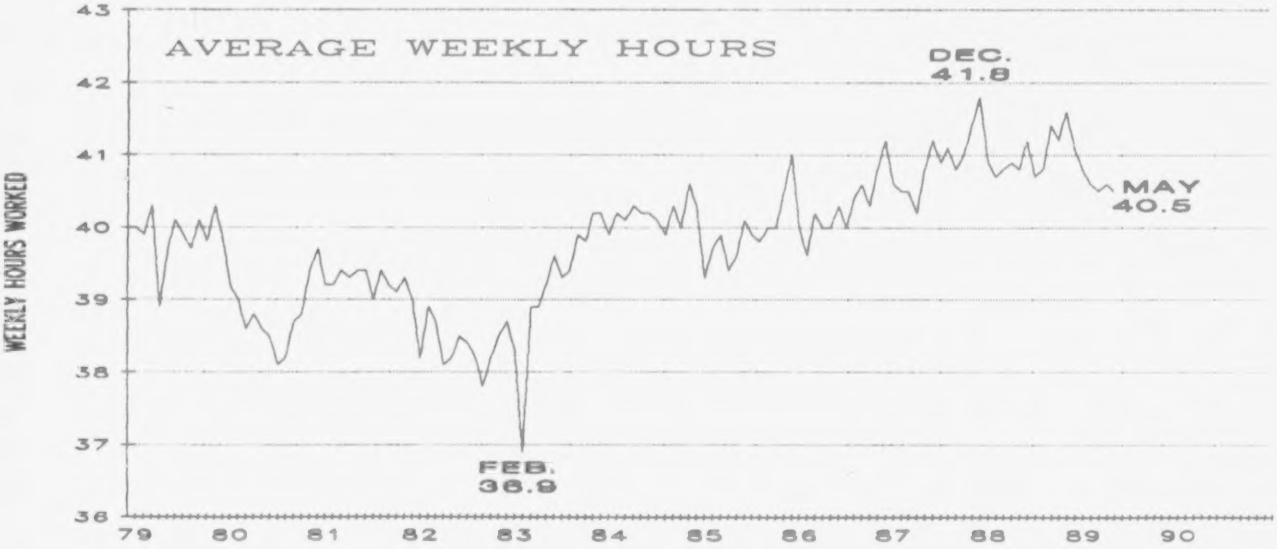
In the durable goods sector, stone, clay, and glass products experienced the largest decrease in hours worked (-0.9) with other decreases ranging from 0.1 to 0.6 of an hour. Lumber and wood products and fabricated metal products workers each had gains of 0.3 of an hour, and furniture and fixtures workers gained 0.5 of an hour over the month.

In the nondurable goods sector, petroleum and coal products employes lost 0.8 of an hour while employes in food and kindred products gained 0.8 of an hour.

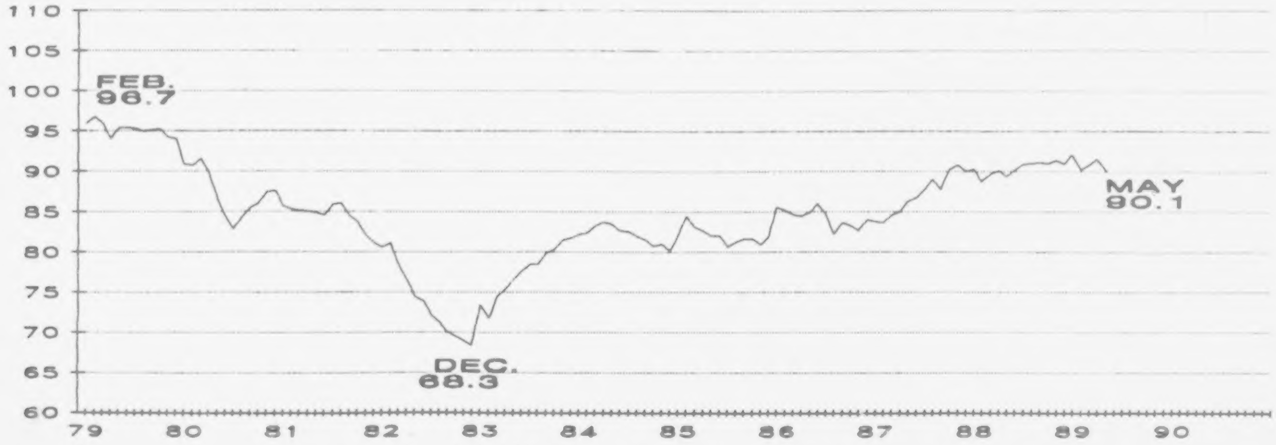
Since average weekly hours worked are one of the leading economic indicators, it is important to watch their monthly changes. When orders for manufactured items slow down, employers cut back on hours worked before they begin to lay off workers. Thus, we would not expect to see any significant decline in employment levels prior to hours worked dropping below 40.

PENNSYLVANIA HOURS & EARNINGS
FOR MANUFACTURING PRODUCTION WORKERS





PENNSYLVANIA MANUFACTURING ACTIVITY INDEX (1973=100)



SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

MONTH AND YEAR

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	MAY 1989	APRIL 1989	MAY 1988	NET CHANGE FROM APR. 89	MAY. 88
CLAIMS ACTIVITY					
Initial Claims	82,601	69,290	69,608	13,311	12,993
Weeks Claimed	547,500	522,734	471,080	24,766	76,420
---Average Weekly Volume	119,022	130,684	107,064	-11,662	11,958
Insured Unemployed Rate	2.5%	2.8%	2.3%	-0.3	0.2
PAYMENT ACTIVITY					
First Payments	26,041	25,220	22,822	821	3,219
Final Payments	6,793	6,843	6,844	-50	-51
Weeks Paid	446,971	480,916	414,838	-33,945	32,133
Net Benefit Amount	$73,375,397	$81,575,277	$60,563,133	-$8,199,880	$12,812,264
Avg. Check Amount	$164.16	$169.62	$145.99	-$5.46	$18.17

INCREASE IN CLAIMS ACTIVITY DURING MAY

In contrast to the movement of prior years, claims activity increased between April and May. Initial claims jumped by 13,311 or 19 percent and weeks claimed by 24,766 or 5 percent. As a result, May's initial claims total of 82,601 and weeks claimed total of 547,500 were the highest for the month since 1986. Even though total weeks claimed were higher, the average weekly volume for weeks claimed in May was lower than in April because May contains three additional workdays. The lower average reduced the insured unemployment rate from April's 2.8 percent to 2.5 percent.

Although weeks claimed posted an increase, weeks paid fell by 33,945 or 7 percent from April to May. As a result, the ratio of weeks paid to weeks claimed was .82 in May, down from April's .92. Despite the over-the-month decline, the 446,971 weeks paid during May exceeded the year-ago level by 32,133 or 8 percent. The average check amount slipped by $5.46 from April to May and coupled with the drop in weeks paid produced an $8.2 million decline in the net benefit amount from a month ago. Income was $472.3 million greater than disbursements during May boosting cash reserves in the Trust Fund at the end of the month to $1.530 billion. This is the largest Trust Fund balance ever recorded.

UNEMPLOYMENT COMPENSATION TRUST FUND - MAY 1989

Income	$ 545,679,838	Cash Reserves	$ 1,530,235,490
Disbursements	$ 73,370,930	Net Reserves	$ 1,530,235,490

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

ALL COUNTIES CONTINUE TO RECORD SINGLE -DIGIT UNEMPLOYMENT RATES IN MAY

For the second consecutive month, all sixty-seven counties in Pennsylvania recorded single-digit unadjusted unemployment rates..

Nine of the ten highest-ranking counties with unemployment rates of 7.0 percent or higher were in the western half of the State. On a more positive note, thirteen of the seventeen counties that incurred month-ago declines were also in the western portion of the State. In addition, seven western counties recorded rates of 5.0 percent or less (Allegheny, Butler, Erie, Lawrence, Mercer, Warren, and Washington).

Juniata county, centrally located, had a high of 9.7 percent, which was the largest increase from April (+2.1). Area layoffs in several manufacturing industries contribued to this increase.

MAY RATE OF UNEMPLOYMENT

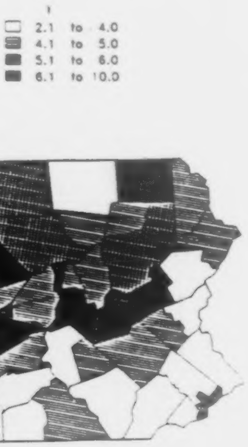


TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
MAY - 1989

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.3	4500
Montgomery	2	2.6	10100
Bucks	3	2.9	8500
Cumberland	3	2.9	3100
Lancaster	5	3.0	6800
Delaware	6	3.1	9300
Franklin	7	3.5	2000
Adams	8	3.6	1400
Monroe	8	3.6	1600
Bradford	10	3.8	1200
Allegheny	11	3.9	25400
Dauphin	11	3.9	5300
Northampton	13	4.0	4700
Lehigh	14	4.1	6300
Mercer	14	4.1	2200
York	14	4.1	7500
Warren	17	4.2	900
Wayne	17	4.2	800
Sullivan	19	4.3	100
Columbia	20	4.4	1400
Lawrence	20	4.4	2100
Berks	22	4.5	8000
Butler	22	4.5	3300
Pike	22	4.5	500
Snyder	22	4.5	900
Union	26	4.6	800
Centre	27	4.7	3000
Montour	27	4.7	400
Perry	27	4.7	1000
Erie	30	4.8	6400
Lebanon	30	4.8	3100
Washington	32	4.9	4600
Wyoming	33	5.0	700
Crawford	34	5.1	2000
Elk	34	5.1	900
Lackawanna	34	5.1	5600
Philadelphia	34	5.1	38100
Westmoreland	34	5.1	8800
Venango	39	5.2	1300
Tioga	40	5.3	1000
Blair	41	5.7	3400
Lycoming	41	5.7	3500
McKean	41	5.7	1200
Luzerne	44	5.8	9300
Cameron	45	6.0	200
Fulton	45	6.0	400
Cambria	47	6.2	3900
Mifflin	47	6.2	1300
Potter	47	6.2	500
Carbon	50	6.3	1600
Armstrong	51	6.4	1800
Northumberland	51	6.4	3200
Schuylkill	51	6.4	4700
Susquehanna	54	6.5	1100
Jefferson	55	6.6	1300
Somerset	56	6.8	2200
Beaver	57	6.9	4100
Clinton	58	7.0	1100
Fayette	58	7.0	4100
Clarion	60	7.1	1200
Clearfield	60	7.1	2500
Bedford	62	7.2	1500
Forest	63	7.6	100
Indiana	64	7.9	2700
Huntingdon	65	8.0	1500
Greene	66	8.4	1100
Juniata	67	9.7	1000

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	MAY 1989 * UNEMPLOYMENT NUMBER AND RATE%		APRIL 1989 UNEMPLOYMENT NUMBER AND RATE%		MAY 1988 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6395.0	5.2	6546.0	5.3	6800.0	5.6
PENNSYLVANIA	271.0	4.6	263.0	4.4	294.0	5.1
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	14.3	4.2	14.0	4.2	13.5	4.2
ALTOONA MSA	3.4	5.6	3.8	6.2	3.9	6.6
BEAVER COUNTY PMSA	4.5	7.5	4.6	7.6	5.9	9.8
ERIE MSA	6.5	4.9	6.7	5.0	7.8	6.0
HARRISBURG-LEB-CARLISLE MSA	12.5	3.8	11.5	3.5	12.0	3.8
JOHNSTOWN MSA	6.5	6.7	6.3	6.5	6.9	7.4
LANCASTER MSA	7.0	3.1	6.8	3.0	7.7	3.6
PHILADELPHIA PMSA	86.6	3.5	91.8	3.7	99.6	4.2
PITTSBURGH PMSA	47.2	4.8	45.8	4.6	55.8	5.8
READING MSA	7.1	3.9	6.5	3.6	7.4	4.3
SCRANTON--WILKES-BARRE MSA	20.2	5.5	18.8	5.1	21.5	6.1
SHARON MSA	2.4	4.5	2.2	4.2	2.6	5.2
STATE COLLEGE MSA	3.1	4.8	2.8	4.3	3.3	5.3
WILLIAMSPORT MSA	3.6	5.8	3.6	5.8	2.9	5.0
YORK MSA	8.5	3.8	8.5	3.8	8.8	4.1

* Preliminary data.

UNEMPLOYMENT RATES STABLE IN LABOR MARKET AREAS

Seasonally adjusted unemployment rates for Pennsylvania's major Labor Market Areas ranged from 3.1 in Lancaster MSA to 7.5 in Beaver County PMSA. Month ago changes ranged from a 0.6 percentage point decrease in Altoona MSA to a 0.5 percentage point increase in State College MSA.

Only Williamsport recorded an increase from this period last year (+0.8 percentage point). The State's adjusted rate of 4.6 was 0.5 percentage point less than May 1988.

SERVICE DELIVERY AREAS

May unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.3 for SDA 21 to 6.9 for SDA 05 (see Table 7).

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
MAY 1989 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	132.5	126.1	6.4	4.8
02	Clarion, Crawford, Forest, Venango, Warren	106.2	100.6	5.6	5.3
03	City of Pittsburgh	174.2	167.2	7.0	4.0
04	Allegheny County minus City of Pittsburgh	476.7	458.3	18.4	3.9
05	Beaver	59.4	55.3	4.1	6.9
06	Armstrong, Butler, Indiana	135.7	127.8	7.8	5.8
07	Fayette, Westmoreland	230.5	217.6	12.9	5.6
08	Greene, Washington	104.7	99.1	5.6	5.4
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	103.5	97.0	6.5	6.3
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	201.8	188.9	12.9	6.4
11	Centre, Clinton, Lycoming, Mifflin	162.0	153.1	8.8	5.5
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	136.5	128.9	7.6	5.6
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	83.0	78.9	4.1	4.9
14	Lackawanna	110.2	104.6	5.6	5.1
15	Carbon, Monroe, Pike, Wayne	103.4	98.8	4.6	4.5
16	Luzerne, Schuylkill	234.6	220.6	14.0	6.0
17	Philadelphia	740.2	702.1	38.1	5.1
18	Bucks	295.3	286.8	8.5	2.9
19	Montgomery	388.5	378.4	10.1	2.6
20	Delaware	299.6	290.3	9.3	3.1
21	Chester	191.7	187.3	4.5	2.3
22	Lehigh, Northampton	269.1	258.1	10.9	4.1
23	Berks	179.1	171.1	8.0	4.5
24	Cumberland, Dauphin, Lebanon, Perry	328.6	316.1	12.5	3.8
25	Lancaster	225.9	219.1	6.8	3.0
26	York	184.9	177.4	7.5	4.1
27	Adams, Franklin	96.4	93.0	3.4	3.5
28	Lawrence, Mercer	100.2	95.9	4.3	4.3
	PENNSYLVANIA - TOTAL	5854.0	5598.0	256.0	4.4

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

56845-1

ALLENTOWN-BETHLEHEM MSA · ALTOONA MSA · BEAVER COUNTY PMSA · ERIE MSA · HARRISBURG-LEBANON-CARLISLE MSA · JOHNSTOWN MSA · LANCASTER MSA
PHILADELPHIA PMSA · PITTSBURGH PMSA · READING MSA · SCRANTON-WILKES-BARRE MSA · SHARON MSA · STATE COLLEGE MSA · WILLIAMSPORT MSA · YORK MSA

PENNSYLVANIA'S LABOR FORCE

.... A Monthly Statistical Analysis

HIGHLIGHTS

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Current Labor Force Situation........1
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- June employment gains given up in July, with the jobless rate climbing back to 4.5 percent.
- Nonagriculltural jobs leveling off in July.
- Average hourly earnings and average weekly hours are up in June.
- Weeks claimed are up from a year ago. Increased disbursements reduce reserves to $1,457,248,080.
- Sixty-six counties maintain single-digit unemployment rates.
- Ten major labor market areas record full employment with seasonally adjusted unemployment rates less than 5.0 percent.

ISSUED: AUGUST 1989

LABOR
MARKET
INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry

Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis is published monthly by the Bureau of Research and Statistics. Focusing on economic information and analysis, the publication is intended for a variety of users from business leaders, government administrators and planners to the general public.

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Inquiries can also be directed to Labor Market Analysts located throughout Pennsylvania. The following is a list of Analysts and the counties they serve.

Analyst	**Phone Number**	**Counties**
Edward Murray	(215)560-1977 560-1978	Bucks, Chester, Delaware, Montgomery, Philadelphia Counties in PA; Burlington, Camden, and Gloucester Counties in NJ
Kenneth Shockley	(215)378-4314	Carbon, Lehigh, Northampton, Pike, Wayne, Schuylkill, Berks Counties in PA; Warren County, NJ
John H. Ruehlman, Jr.	(717)826-2538 826-2418	Columbia, Lackawanna, Luzerne, Monroe, Wyoming, Sullivan, Susquehanna, Bradford, Tioga
James J. Mowad	(717)783-3294 783-3908	Cumberland, Dauphin, Lebanon, Perry, Lancaster, Adams, York, Franklin, Fulton
Glenn Lynn	(717)327-3504 327-3532	Centre, Lycoming, Potter, Juniata, Mifflin, Clinton, Montour, Northumberland, Snyder, Union
William Findley	(814)533-2213 533-2207	Blair, Cambria, Somerset, Bedford, Clearfield, Jefferson, Huntingdon, Elk, Cameron, Greene
William Ceriani	(412)565-5350 565-5324 565-5346	Beaver, Allegheny, Fayette, Washington, Westmoreland, Butler, Indiana, Armstrong, Lawrence
Carol Patterson	(814)871-4298 871-4765	Erie, Mercer, McKean, Clarion, Crawford, Forest

CURRENT LABOR FORCE SITUATION

JUNE EMPLOYMENT GAINS GIVEN UP IN JULY

Employment gains of June were given up in July as Pennsylvania's employment fell 116,000, seasonally adjusted. The statewide jobless rate also retraced the June decline by climbing back to 4.5 percent, seasonally adjusted, up from the June rate of 4.0 percent. The rate remained well below the nationwide rate of 5.2 percent in July.

Data, made available through the Current Population Survey of households and released by the U.S. Department of Labor's Bureau of Labor Statistics, show July's seasonally adjusted employment in Pennsylvania at 5,562,000, down 116,000 since June. This was the first month in 1989 that statewide employment fell below 5.6 million, but was still higher than anytime prior to 1989. Compared to a year ago, employment was up 93,000. During the past two years, employment gained 233,000.

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

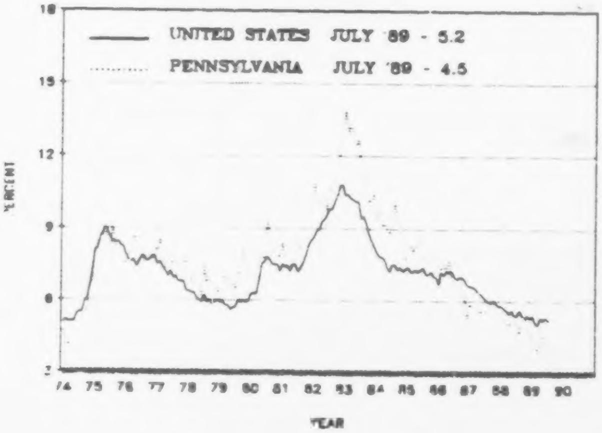


TABLE 1
TOTAL CIVILIAN LABOR FORCE EMPLOYMENT AND UNEMPLOYMENT IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	JULY 1989	JUNE 1989	JULY 1988	NET CHANGE FROM JUNE 1989	NET CHANGE FROM JULY 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,823	5,917	5,770	-94	53
Employment	5,562	5,678	5,469	-116	93
Unemployment	261	239	301	22	-40
Rate of Unemployment (%)	4.5	4.0	5.2	0.5	-0.7
UNADJUSTED DATA					
Civilian Labor Force	5,961	5,981	5,912	-20	49
Employment	5,684	5,709	5,598	-25	86
Unemployment	277	272	316	5	-39
Rate of Unemployment (%)	4.6	4.6	5.3	0.0	-0.7

Unemployment, seasonally adjusted, rose 22,000 in July as 261,000 workers were without jobs. This lifted the statewide rate of unemployment to 4.5 percent, back into the neighborhood where it had been for much of the first half of the year, with the exceptions of two low months March (3.9 percent) and June (4.0 percent). Compared to a year ago, the July rate was down from 5.2 percent representing 40,000 fewer jobless workers. Compared with two years ago, the July rate was down from 5.6 percent representing 58,000 fewer jobless workers.

A look at the longer term Current Population Survey data reveals a leveling in Pennsylvania's employment situation. Employment moved above 5.6 million in January and has held near that level since. The statewide rate of unemployment has been moving in a range, except for two months, between 4.3 percent and 4.6 percent. Very little real economic improvement or deterioration has been apparent during the last six months. The good news is that employment and unemployment have stabilized at very healthy levels.

TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	JULY 1989 AP/	JUNE 1989 P/	MAY 1989	JUNE. 1988	NET CHANGE TO JUNE 1989 FROM: MAY 1989	JUNE 1988
NONAG. WAGE AND SALARY	5100.7	5135.7	5116.2	5078.5	19.5	57.2
---MANUFACTURING INDUSTRIES	1051.9	1059.7	1053.1	1063.3	6.6	-3.6
DURABLE GOODS INDUSTRIES	601.3	604.6	600.6	607.5	4.0	-2.9
LUMBER AND WOOD PRODUCTS		31.5	31.0	32.1	0.5	-0.6
FURNITURE AND FIXTURES		21.5	21.5	21.9	0.0	-0.4
STONE. CLAY. AND GLASS PRODUCTS		47.9	47.3	48.0	0.6	-0.1
PRIMARY METAL INDUSTRIES		93.6	92.4	91.9	1.2	1.7
FABRICATED METAL PRODUCTS		91.1	90.7	92.1	0.4	-1.0
MACHINERY. EXCEPT ELECTRICAL		112.3	111.6	108.1	0.7	4.2
ELECTRIC & ELECTRONIC EQUIPMENT		88.7	88.0	93.0	0.7	-4.3
TRANSPORTATION EQUIPMENT		60.7	61.2	62.5	-0.5	-1.8
INSTRUMENTS AND RELATED PRODUCTS		36.1	35.9	36.6	0.2	-0.5
MISCELLANEOUS MANUFACTURES		21.2	21.0	21.3	0.2	-0.1
NONDURABLE GOODS INDUSTRIES	450.6	455.1	452.5	455.8	2.6	-0.7
FOOD AND KINDRED PRODUCTS		91.3	90.7	90.7	0.6	0.6
TOBACCO MANUFACTURES		1.0	1.1	1.1	-0.1	-0.1
TEXTILE MILL PRODUCTS		31.1	31.0	31.5	0.1	-0.4
APPAREL AND OTHER TEXTILE PRODS.		82.1	82.3	83.7	-0.2	-1.6
PAPER AND ALLIED PRODUCTS		42.8	41.8	42.8	1.0	0.0
PRINTING AND PUBLISHING		84.4	84.3	83.8	0.1	0.6
CHEMICALS AND ALLIED PRODUCTS		61.5	60.8	60.2	0.7	1.3
PETROLEUM AND COAL PRODUCTS		10.6	10.5	10.4	0.1	0.2
RUBBER AND PLASTICS PRODUCTS		40.1	39.9	40.9	0.2	-0.8
LEATHER AND LEATHER PRODUCTS		10.2	10.1	10.7	0.1	-0.5
---NONMANUFACTURING INDUSTRIES	4041.3	4074.3	4059.3	4013.9	15.0	60.4
MINING	21.4	28.1	28.0	29.6	0.1	-1.5
CONTRACT CONSTRUCTION	262.2	251.5	240.1	241.0	11.4	10.5
TRANSPORTATION	141.4	149.1	150.9	148.5	-1.8	0.6
PUBLIC UTILITIES	105.0	104.7	103.1	105.5	1.6	-0.8
COMMUNICATIONS		49.2	48.7	50.0	0.5	-0.8
ELECTRIC, GAS AND SANITARY		55.5	54.4	55.5	1.1	0.0
WHOLESALE TRADE	273.1	272.3	271.1	270.9	1.2	1.4
RETAIL TRADE	884.0	890.6	889.5	889.7	1.1	0.9
GENERAL MERCHANDISE STORES		128.3	129.1	126.3	-0.8	2.0
FINANCE, INSURANCE AND REAL ESTATE	301.2	300.2	297.3	295.5	2.9	4.7
BANKING		89.5	88.5	87.4	1.0	2.1
INSURANCE CARRIERS		85.8	85.5	85.3	0.3	0.5
SERVICES	1385.0	1383.9	1373.4	1337.2	10.5	46.7
BUSINESS SERVICES		247.1	244.9	232.3	2.2	14.8
HEALTH SERVICES		450.9	445.3	432.4	5.6	18.5
--HOSPITALS		245.8	242.3	236.6	3.5	9.2
LEGAL SERVICES		39.5	38.5	38.9	1.0	0.6
EDUCATIONAL SERVICES		140.0	150.9	137.2	-10.9	2.8
SOCIAL SERVICES		93.3	93.1	90.1	0.2	3.2
OTHER SERVICES		413.1	400.7	406.3	12.4	6.8
GOVERNMENT	668.0	693.9	705.9	696.0	-12.0	-2.1
FEDERAL		139.5	139.0	141.3	0.5	-1.8
STATE		144.2	155.7	144.2	-11.5	0.0
LOCAL		410.2	411.2	410.5	-1.0	-0.3
---PERSONS IN LABOR-MGMT. DISPUTES	7.5	1.7	3.8	1.3	-2.1	0.4

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

NONAGRICULTURAL JOBS LEVELING OFF

Advance preliminary figures for July indicate that jobs in Pennsylvania are leveling off. The loss of 35,000 jobs since June is normal for this period with most of the losses in education-related jobs due to school closings (local government). Declines in manufacturing were experienced in both the durable and nondurable goods sector. This also is typical, due to summer vacations.

Even with the month-ago decline in nonmanufacturing, there were record highs achieved in four major industry sectors: construction (262,200 jobs), wholesale trade (273,100 jobs), finance, insurance, and real estate (301,200 jobs), and services (1,385,000 jobs).

The loss of jobs in retail trade was greater than expected. There is also a softening in retail trade on a national level. Higher interest rates earlier in the year have increased the real cost of goods to consumers who react by cutting back on purchases of "unnecessary items". Thus, retail trade would be first to depict the economic slowdown.

Most of the decline in mining was due to strike activity in this industry in the western part of the State.

Note: July's narrative is based on advance preliminary data, which can change as more complete data is received and updated.

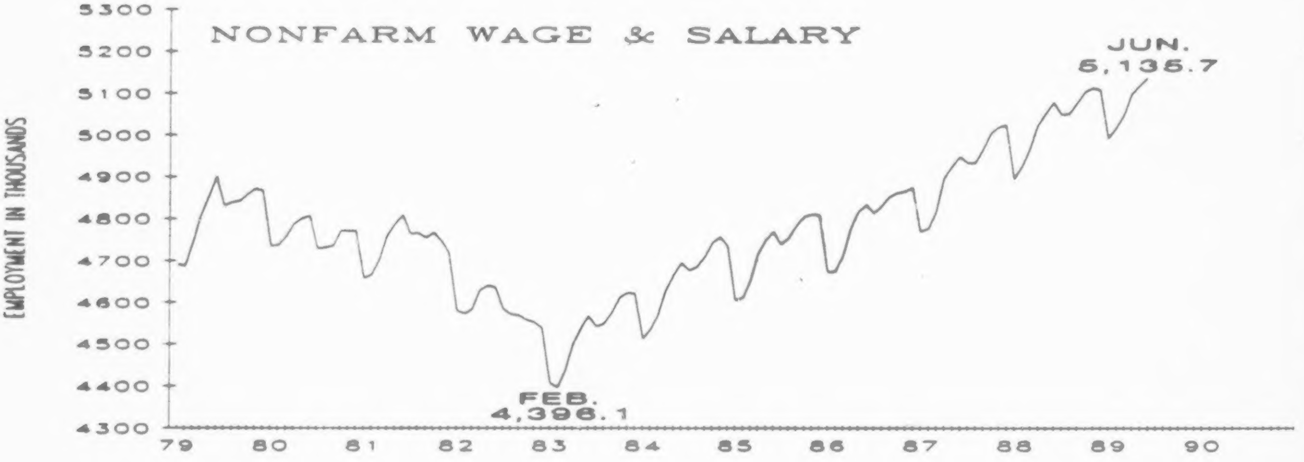
JOBS AT ALL TIME HIGH IN JUNE

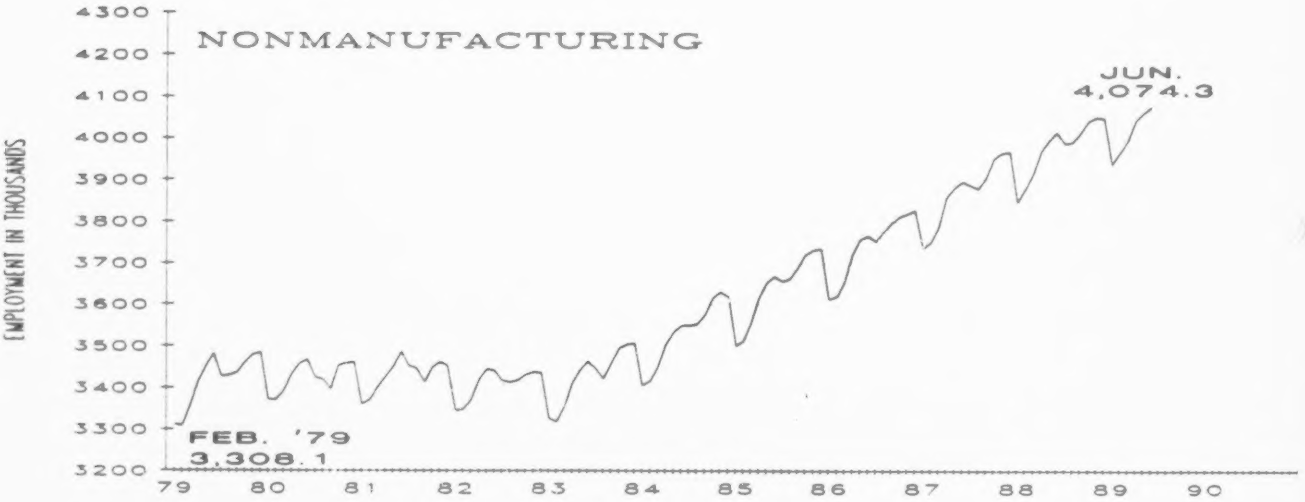
Revised figures for June show that nonagricultural jobs in Pennsylvania increased by 19,500 since May to a record high of 5,135,700. There were 57,200 more nonfarm jobs filled than there were in June 1988. Even with June's job level the highest ever, increases in each of the last four months were less than expected for the Spring season; an indication the economy is slowing.

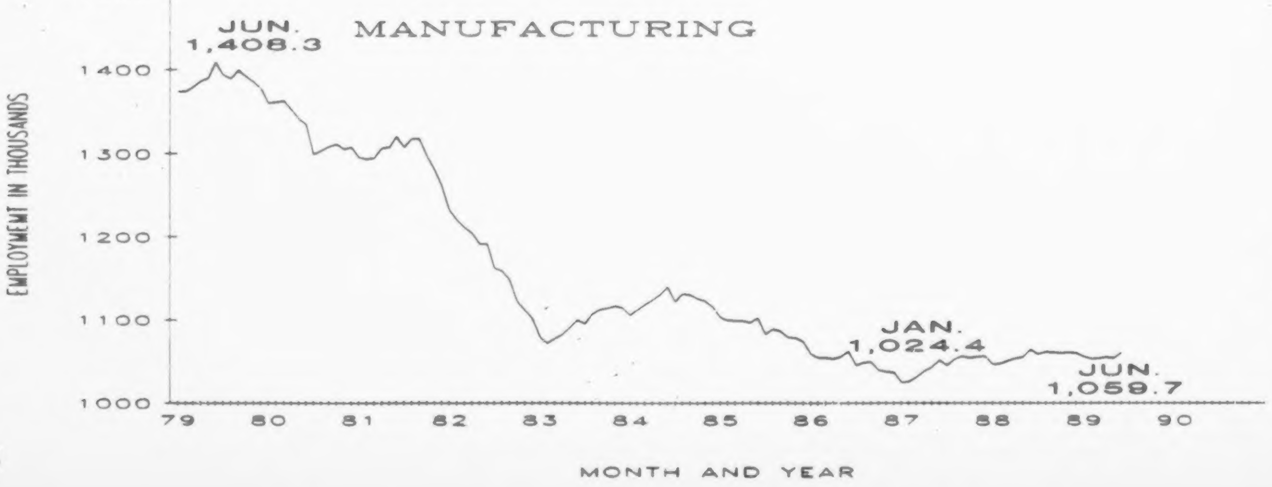
Manufacturing employment of 1,059,700, while 6,600 higher than the previous month, decreased by 3,600 since June of last year. Stagnant job growth in the lumber and wood products; furniture and fixtures; and stone, clay, and glass products industries reflects higher mortgage interest rates and a slowdown in new housing starts.

In nonmanufacturing, however, rapid growth continued as a new record level of 4,074,300 was reached, up 15,000 since May. Large gains in services (+10,500) and construction (+11,400) were only partially offset by the seasonal decrease in government (-12,000). The loss was primarily in the educational services portion of state government. The increase in retail trade was much less than expected, another indication that economic growth is slowing.

PENNSYLVANIA WAGE & SALARY JOBS
NOT SEASONALLY ADJUSTED DATA







HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS JUNE 1989	MAY 1989	JUNE 1988	AVERAGE WEEKLY HOURS JUNE 1989	MAY 1989	JUNE 1988	AVERAGE HOURLY EARNINGS JUNE 1989	MAY 1989	JUNE 1988
MANUFACTURING INDUSTRIES	$431.66	$426.47	$421.48	40.8	40.5	41.2	$10.58	$10.53	$10.23
DURABLE GOODS	470.96	467.87	461.67	41.9	41.7	42.2	11.24	11.22	10.94
LUMBER AND WOOD PRODUCTS	362.56	358.58	359.31	40.6	40.2	41.3	8.93	8.92	8.70
FURNITURE AND FIXTURES	378.43	368.15	357.94	41.0	40.5	40.4	9.23	9.09	8.86
STONE, CLAY, AND GLASS PRODS.	480.82	466.99	457.53	43.2	42.3	42.8	11.13	11.04	10.69
PRIMARY METALS	549.98	549.54	549.07	42.8	42.6	43.2	12.85	12.90	12.71
FABRICATED METAL PRODUCTS	456.42	448.10	447.32	42.3	41.8	42.4	10.79	10.72	10.55
NONELECTRICAL MACHINERY	498.53	494.93	483.15	43.2	43.0	43.1	11.54	11.51	11.21
ELECTRIC AND ELECTRONIC MACH.	417.11	418.77	413.69	40.3	40.5	41.0	10.35	10.34	10.09
TRANSPORTATION EQUIPMENT	526.95	529.01	536.31	41.2	41.2	42.7	12.79	12.84	12.56
INSTRUMENTS AND RELATED PROD.	442.68	438.89	415.95	40.8	40.6	40.7	10.85	10.81	10.22
MISCELLANEOUS MANUFACTURES	418.64	419.12	397.79	40.1	40.3	39.7	10.44	10.40	10.02
NONDURABLE GOODS	380.03	373.62	368.15	39.3	39.0	39.8	9.67	9.58	9.25
FOOD AND KINDRED PRODUCTS	429.30	422.34	411.45	40.5	40.3	40.9	10.60	10.48	10.06
TOBACCO PRODUCTS	267.68	266.62	247.10	41.5	41.4	39.6	6.45	6.44	6.24
TEXTILE PRODUCTS	296.51	295.07	288.68	39.8	39.5	39.6	7.45	7.47	7.29
APPAREL AND RELATED PRODUCTS	227.50	226.34	222.22	35.0	35.2	35.9	6.50	6.43	6.19
PAPER PRODUCTS	483.36	485.21	476.54	42.7	42.6	43.8	11.32	11.39	10.88
PRINTING AND PUBLISHING	429.23	418.76	422.37	38.6	38.0	39.4	11.12	11.02	10.72
CHEMICALS AND ALLIED PRODUCTS	522.86	508.34	521.85	41.3	40.7	42.6	12.66	12.49	12.25
PETROLEUM AND COAL PRODUCTS	608.60	614.24	615.83	42.5	42.1	43.8	14.32	14.59	14.06
RUBBER AND PLASTICS PRODUCTS	386.32	382.03	378.84	41.9	41.3	42.0	9.22	9.25	9.02
LEATHER PRODUCTS	251.36	247.41	233.09	38.2	37.6	37.9	6.58	6.58	6.15
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	472.61	489.14	423.81	37.9	39.1	35.2	12.47	12.51	12.04
BIT. COAL & LIGNITE MINING	593.02	672.81	669.71	37.7	41.1	42.2	15.73	16.37	15.87
COMMUNICATIONS	555.41	554.53	532.13	40.6	40.3	40.1	13.68	13.76	13.27
ELECTRIC, GAS, & SANITARY	667.97	669.38	642.64	42.6	42.5	42.7	15.68	15.75	15.05
GENERAL MERCHANDISE STORES	192.32	187.14	180.34	28.2	27.4	28.4	6.82	6.83	6.35

P/ Preliminary data.

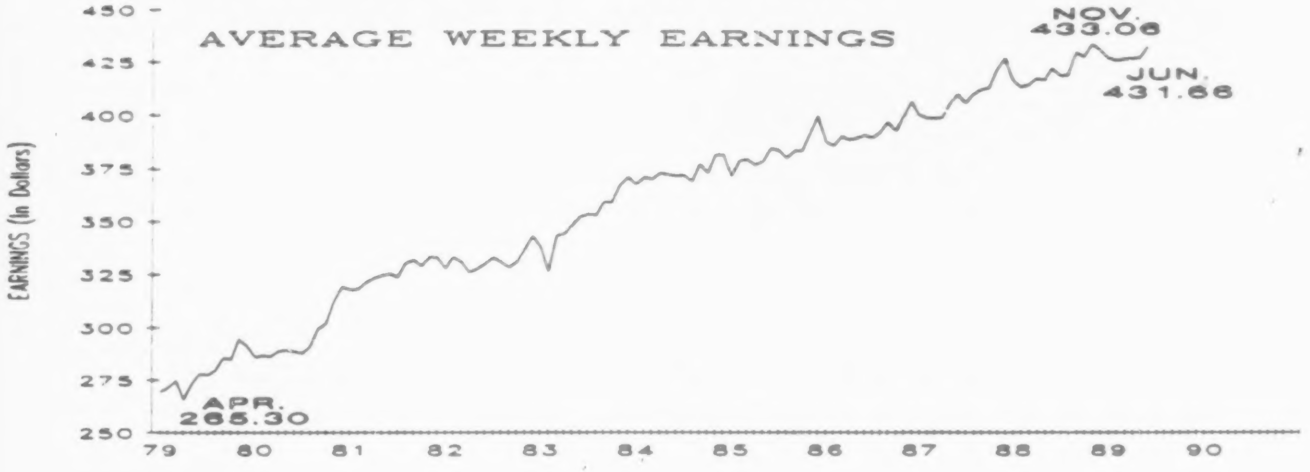
AVERAGE HOURLY EARNINGS AND AVERAGE WEEKLY HOURS ARE UP IN JUNE

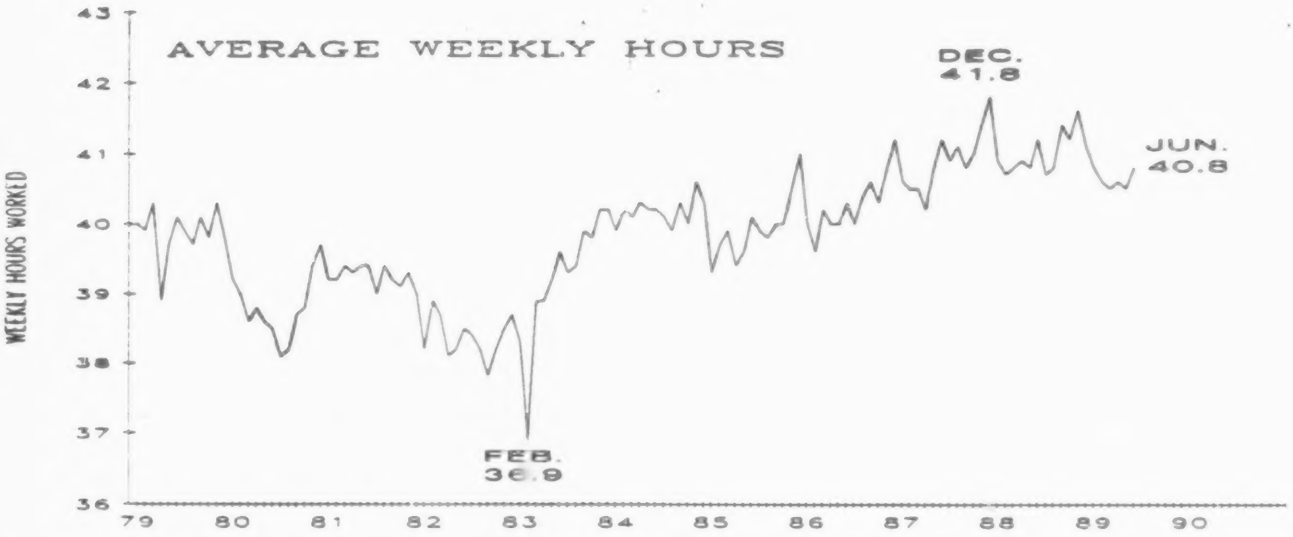
Average weekly hours, hourly earnings, and weekly earnings increased for Pennsylvania's manufacturing production workers. However, average weekly hours were down 0.4 of an hour from June 1988. The 40.8 hour workweek was the longest since January of this year when it was also 40.8 hours. Similar increases were seen in most of the selected industries in both the durable and nondurable goods sectors.

Only workers in electric and electronic machinery, miscellaneous manufactures, and apparel and related products had shorter workweeks than month-ago levels (-0.2 of an hour, respectively).

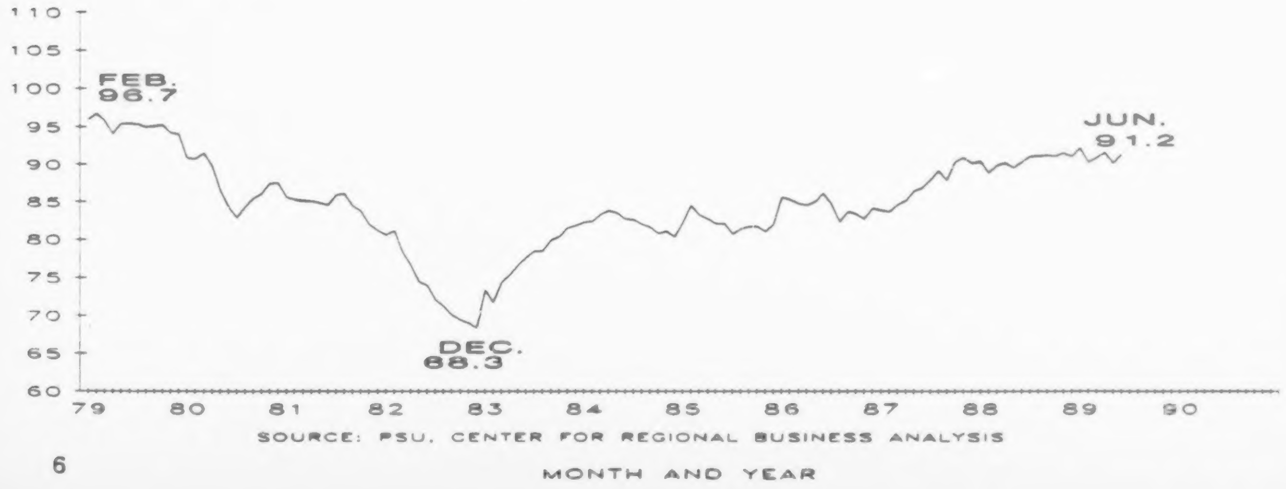
In nonmanufacturing, soft and hard coal workers averaged smaller paychecks due to shorter workweeks. Workers in general merchandise stores increased their weekly earnings $5.18 by working 0.8 of an hour longer.

PENNSYLVANIA HOURS & EARNINGS
FOR MANUFACTURING PRODUCTION WORKERS





PENNSYLVANIA MANUFACTURING ACTIVITY INDEX
(1973=100)



SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	JUNE 1989	MAY 1989	JUNE 1988	NET CHANGE FROM MAY 89	NET CHANGE FROM JUNE 88
CLAIMS ACTIVITY					
Initial Claims	87,083	82,601	73,976	4,482	13,107
Weeks Claimed	496,575	547,500	470,361	-50,925	26,214
...Average Weekly Volume	112,858	119,022	106,900	-6,164	5,958
Insured Unemployment Rate	2.4%	2.5%	2.3%	-0.1	0.1
PAYMENT ACTIVITY					
First Payments	29,066	26,041	24,522	3,025	4,544
Final Payments	7,177	6,793	6,769	384	408
Weeks Paid	487,893	446,971	436,853	40,922	51,040
Net Benefit Amount	$82,738,712	$73,375,397	$64,833,112	$9,363,315	$17,905,600
Avg Check Amount	$169.58	$164.16	$148.41	$5.42	$21.17

WEEKS CLAIMED UP FROM A YEAR AGO

Weeks claimed fell by 50,925 or 9 percent from May to June; however, the 496,575 total for June 1989 was 26,214 or 6 percent higher than June 1988 total. This was the third successive month that weeks claimed exceeded the total for the corresponding month of a year ago. As a result, weeks claimed for the first 6 months of 1989 totaled 3,600,511 compared to 3,536,423 for the same period in 1988. The number of initial claims edged upward for the second month in a row with an increase of 4,482 or 5 percent in June from the previous month. The insured unemployment rate for June of 2.4 percent, the year's low to date, topped the June 1988 rate of 2.3 percent.

Despite the over-the-month drop in weeks claimed, weeks paid rose by 40,922 or 9 percent from May to June. The ratio of weeks paid to weeks claimed jumped from .82 in May to .98 in June. The greater number of weeks paid coupled with a larger average check amount for June (up $5.42 from May) produced an increase in June of $9.4 million in the net benefit amount over the May figure. Disbursements were $73 million higher than income during June which reduced cash reserves in the Trust Fund at the end of the month to $1.457 billion.

UNEMPLOYMENT COMPENSATION TRUST FUND - JUNE 1989

Income	$ 9,751,941	Cash Reserves	$ 1,457,248,080
Disbursements	$ 82,739,351	Net Reserves	$ 1,457,248,080

UNEMPLOYMENT ..... A GEOGRAPHIC

SIXTY-SIX COUNTIES MAINTAIN SINGLE-DIGIT UNEMPLOYMENT RATES

Sixty-six Pennsylvania Counties maintained their single-digit unemployment rates (not seasonally adjusted) from May to June. Only Forest County went above 10 percent. However, the volume of unemployment in this county is the lowest level of any county; thus, minor changes would cause significant increases or decreases in its rate. The rates in most counties appeared to be leveling off, with only eight counties showing month-ago increases or decreases greater than 1.0 percentage point.

Fifty-nine counties reduced their jobless rates from this period last year. The decreases ranged from 0.7 percentage point in Clarion County to 4.4 percentage points in Greene County. Even though higher unemployment rates are mostly found in the western counties, employment is gradually increasing and the East/West gap is narrowing.

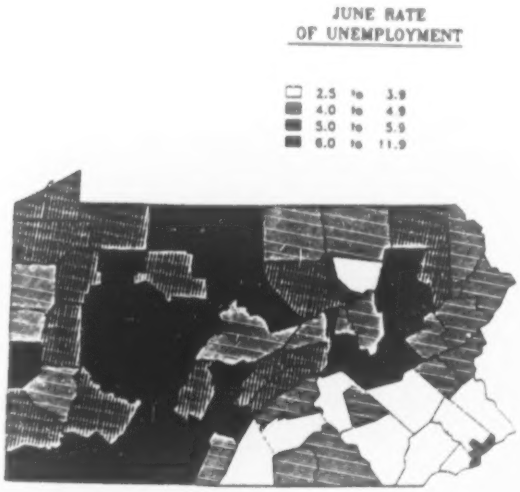


TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
JUNE - 1989

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.6	5100
Cumberland	2	2.8	3100
Montgomery	2	2.8	11100
Bucks	4	3.1	9400
Lancaster	5	3.3	7500
Delaware	6	3.4	10500
Dauphin	7	3.5	4800
Franklin	8	3.8	2200
Sullivan	8	3.8	100
Berks	10	3.9	7100
Monroe	11	4.0	1900
Wayne	11	4.0	800
Montour	13	4.1	400
Pike	13	4.1	500
York	13	4.1	7600
Allegheny	16	4.2	27800
Bradford	16	4.2	1400
Northampton	16	4.2	5000
Perry	16	4.2	900
Union	16	4.2	700
Adams	21	4.3	1700
Lebanon	21	4.3	2800
Lehigh	21	4.3	6600
Mercer	24	4.5	2400
Centre	25	4.6	2900
Columbia	25	4.6	1500
Fulton	25	4.6	300
Lawrence	25	4.6	2200
Carbon	29	4.9	1300
Tioga	29	4.9	900
Butler	31	5.0	3700
Erie	32	5.1	6900
Warren	32	5.1	1200
Washington	32	5.1	4800
Lackawanna	35	5.2	5900
Elk	36	5.4	1000
Philadelphia	36	5.4	40500
Blair	38	5.5	3400
Crawford	39	5.6	2300
Westmoreland	39	5.6	9900
Juniata	41	5.7	600
Lycoming	41	5.7	3500
Snyder	43	5.8	1100
Susquehanna	43	5.8	1000
Mifflin	45	5.9	1300
Venango	45	5.9	1600
Wyoming	47	6.0	800
Northumberland	48	6.1	3100
Schuylkill	48	6.1	4500
Jefferson	50	6.2	1300
McKean	50	6.2	1300
Luzerne	52	6.3	10400
Potter	53	6.5	500
Somerset	54	6.6	2200
Armstrong	55	6.8	2000
Cambria	56	7.1	4700
Fayette	56	7.1	4200
Beaver	58	7.2	4400
Clinton	59	7.4	1100
Clearfield	60	7.5	2700
Huntingdon	61	7.7	1500
Bedford	62	8.0	1700
Clarion	62	8.0	1400
Greene	64	8.7	1100
Indiana	65	9.0	3100
Cameron	66	9.4	300
Forest	67	11.1	200

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE
BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	JUNE 1989 * UNEMPLOYMENT NUMBER AND RATE%		MAY 1989 UNEMPLOYMENT NUMBER AND RATE%		JUNE 1988 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6561.0	5.3	6395.0	5.2	6523.0	5.4
PENNSYLVANIA	239.0	4.0	271.0	4.6	295.0	5.1
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	12.6	3.7	14.2	4.2	14.8	4.6
ALTOONA MSA	3.2	5.3	3.5	5.8	4.4	7.4
BEAVER COUNTY PMSA	4.1	6.8	4.5	7.4	5.5	9.2
ERIE MSA	6.0	4.5	6.5	4.9	7.8	6.0
HARRISBURG-LEB-CARLISLE MSA	10.7	3.2	12.4	3.7	12.0	3.8
JOHNSTOWN MSA	6.4	6.6	6.5	6.7	7.2	7.6
LANCASTER MSA	6.0	2.7	7.0	3.1	7.6	3.5
PHILADELPHIA PMSA	85.0	3.5	85.9	3.5	98.5	4.1
PITTSBURGH PMSA	43.2	4.4	46.8	4.7	55.3	5.7
READING MSA	6.0	3.3	7.0	3.9	7.3	4.3
SCRANTON--WILKES-BARRE MSA	19.1	5.2	20.3	5.5	22.0	6.2
SHARON MSA	2.3	4.3	2.4	4.5	2.5	5.0
STATE COLLEGE MSA	2.6	4.0	3.1	4.8	3.2	5.2
WILLIAMSPORT MSA	3.5	5.7	3.5	5.7	3.0	5.1
YORK MSA	8.3	3.7	8.5	3.8	8.4	3.9

* Preliminary data.

TEN LABOR MARKET AREAS RECORD FULL EMPLOYMENT

Seasonally adjusted unemployment rates in ten of the fifteen major labor market areas in Pennsylvania were less than 5.0 percent, the level considered full employment by most economists. The remaining five areas recorded rates ranging from 5.2 percent to 6.8 percent. With the exception of Williamsport MSA (+0.6 percentage point), all areas had rates less than this period last year. These decreases are synchronous with the state's month-ago decline of 0.6 percentage point and year-ago drop of 1.1 percentage points.

SERVICE DELIVERY AREAS

In June, the unemployment rates, not seasonally, for the Service Delivery Areas (SDAs) ranged from 2.6 for SDA 21 to 7.2 for SDA 05 (see table 7 on next page). Twenty-two of the SDAs reduced their rates from month-ago levels.

TABLE 7
MONTHLY EMPLOYMENT SITUATION
JUNE 1989 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	134.9	128.0	6.9	5.1
02	Clarion, Crawford, Forest, Venango, Warren	109.9	103.2	6.7	6.1
03	City of Pittsburgh	178.6	170.4	8.2	4.6
04	Allegheny County minus City of Pittsburgh	488.0	468.3	19.7	4.0
05	Beaver	60.7	56.4	4.4	7.2
06	Armstrong, Butler, Indiana	138.1	129.3	8.8	6.4
07	Fayette, Westmoreland	236.3	222.2	14.1	6.0
08	Greene, Washington	107.5	101.5	6.0	5.6
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	107.3	100.2	7.1	6.6
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	207.8	194.1	13.8	6.6
11	Centre, Clinton, Lycoming, Mifflin	162.2	153.4	8.8	5.4
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	138.5	131.1	7.4	5.3
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	85.4	81.2	4.2	5.0
14	Lackawanna	112.7	106.8	5.9	5.2
15	Carbon, Monroe, Pike, Wayne	106.1	101.6	4.5	4.2
16	Luzerne, Schuylkill	240.3	225.3	15.0	6.2
17	Philadelphia	757.1	716.6	40.5	5.4
18	Bucks	302.2	292.7	9.4	3.1
19	Montgomery	397.4	386.2	11.1	2.8
20	Delaware	306.9	296.3	10.5	3.4
21	Chester	196.2	191.1	5.1	2.6
22	Lehigh, Northampton	274.2	262.5	11.7	4.3
23	Berks	181.9	174.8	7.1	3.9
24	Cumberland, Dauphin, Lebanon, Perry	334.3	322.7	11.6	3.5
25	Lancaster	229.3	221.8	7.5	3.3
26	York	186.1	178.5	7.6	4.1
27	Adams, Franklin	98.2	94.3	3.9	4.0
28	Lawrence, Mercer	102.7	98.0	4.7	4.5
	PENNSYLVANIA - TOTAL	5981.0	5709.0	272.0	4.6

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by number of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

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ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON /WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

PENNSYLVANIA'S LABOR FORCE

.... *A Monthly Statistical Analysis*

INSIDE

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HIGHLIGHTS

- **Pennsylvania's seasonally adjusted unemployment rate dropped to 4.3 percent in August.**
- **Nonfarm jobs rebounded in August to 5,114,700—the third highest level on record.**
- **Average hours worked remained between 40.5 and 40.8 since January 1989.**
- **The number of claims grew in July, with initial claims rising for the third successive month.**
- **Full employment was recorded in thirty-one counties during July.**
- **Unemployment rates held steady in most labor market areas from June to July.**

ISSUED: SEPTEMBER 1989

LABOR
MARKET
INFORMATION

Commonwealth of Pennsylvania

Robert P. Casey, Governor

Department of Labor and Industry **Bureau of Research and Statistics**

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis

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SEVENTH AND FORSTER STREETS
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Inquiries can also be directed to Labor Market Analysts located throughout Pennsylvania. The following is a list of Analysts and the counties they serve.

Analyst	**Phone Number**	**Counties**
Edward Murray	(215)560-1977 560-1978	Bucks, Chester, Delaware, Montgomery, Philadelphia Counties in PA; Burlington, Camden, and Gloucester Counties in NJ
Kenneth Shockley	(215)378-4314	Carbon, Lehigh, Northampton, Pike, Wayne, Schuylkill, Berks Counties in PA; Warren County, NJ
John H. Ruehlman, Jr.	(717)826-2538 826-2418	Columbia, Lackawanna, Luzerne, Monroe, Wyoming, Sullivan, Susquehanna, Bradford, Tioga
James J. Mowad	(717)783-3294 783-3908	Cumberland, Dauphin, Lebanon, Ferry, Lancaster, Adams, York, Franklin, Fulton
Glenn Lynn	(717)327-3504 327-3532	Centre, Lycoming, Potter, Juniata, Mifflin, Clinton, Montour, Northumberland, Snyder, Union
William Findley	(814)533-2213 533-2207	Blair, Cambria, Somerset, Bedford, Clearfield, Jefferson, Huntingdon, Elk, Cameron
William Ceriani	(412)565-5350 565-5324 565-5346	Beaver, Allegheny, Fayette, Washington, Westmoreland, Butler Indiana, Armstrong, Lawrence, Greene
Carol Patterson	(814)871-4298 871-4765	Erie, Mercer, McKean, Clarion, Crawford, Forest, Venango, Warren

CURRENT LABOR FORCE SITUATION

UNEMPLOYMENT RATE DROPS TO 4.3 PERCENT IN AUGUST

August unemployment data show that Pennsylvania continues to ride the crest of the economic wave rather than give in to the soft landing heralded by many economists. Unemployment edged down 13,000, seasonally adjusted, lowering the statewide jobless rate to 4.3 percent in August from 4.5 percent in July. The rate was well below the nationwide rate of 5.2 percent in August.

Data, made available through the Current Population Survey of households and released by the U.S. Department of Labor's Bureau of Labor Statistics, show August's seasonally adjusted unemployment in Pennsylvania at 248,000. The seasonally adjusted rate of unemployment for the month, at 4.3 percent, was tied with January and February of 1989 for third lowest of the current economic expansion. Only March (3.9 percent) and June (4.0 percent) saw lower rates. With the exception of those two months, the statewide rate has held within the narrow range of 4.3 percent to 4.6 percent during all of 1989. This reflects the leveling that became apparent in the national economy during the latter part of 1988. Economic losses in Pennsylvania due to a soft landing are not yet evident in the numbers. Compared to a year ago, the August rate was down from 4.6 percent representing 17,000 fewer jobless workers. Compared with two years ago, the August rate was down from 5.6 percent representing 69,000 fewer jobless workers.

Employment, seasonally adjusted, slipped 42,000 in August to 5,520,000. Combined with losses during previous months, employment has drifted to a level maintained during most of the second half of 1988. This further confirms the leveling of Pennsylvania's employment situation but is not an indication of imminent breakdown. Compared to a year ago, employment was down 27,000. During the past two years, employment gained 142,000.

TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(All persons in thousands)

RESIDENT DATA	AUG. 1989	JULY 1989	AUG. 1988	NET CHANGE FROM JULY 1989	NET CHANGE FROM AUG. 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,768	5,823	5,812	-55	-44
Employment	5,520	5,562	5,547	-42	-27
Unemployment	248	261	265	-13	-17
Rate of Unemployment (%)	4.3	4.5	4.6	-0.2	-0.3
UNADJUSTED DATA					
Civilian Labor Force	5,919	5,961	5,963	-42	-44
Employment	5,686	5,684	5,713	2	-27
Unemployment	233	277	250	-44	-17
Rate of Unemployment (%)	3.9	4.6	4.2	-0.7	-0.3

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

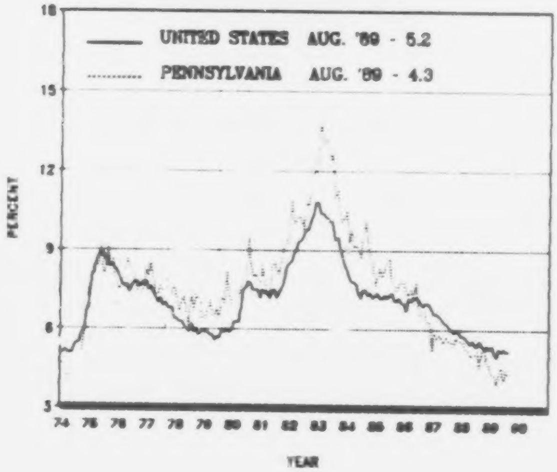


TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	AUG. 1989 AP/	JULY 1989 P/	JUNE 1989	JULY. 1988	NET CHANGE TO JULY 1989 FROM: JUNE 1989	NET CHANGE TO JULY 1989 FROM: JULY 1988
NONAG. WAGE AND SALARY	5114.7	5106.9	5140.2	5048.2	-33.3	58.7
---MANUFACTURING INDUSTRIES	1060.4	1054.3	1060.0	1057.6	-5.7	-3.3
DURABLE GOODS INDUSTRIES	601.8	601.6	603.9	606.0	-2.3	-4.4
LUMBER AND WOOD PRODUCTS		31.4	31.5	31.9	-0.1	-0.5
FURNITURE AND FIXTURES		21.5	21.4	21.4	0.1	0.1
STONE, CLAY, AND GLASS PRODUCTS		47.6	48.0	48.1	-0.4	-0.5
PRIMARY METAL INDUSTRIES		93.2	93.4	92.0	-0.2	1.2
FABRICATED METAL PRODUCTS		90.5	91.2	91.6	-0.7	-1.1
MACHINERY, EXCEPT ELECTRICAL		112.3	112.4	108.6	-0.1	3.7
ELECTRIC & ELECTRONIC EQUIPMENT		87.7	88.2	92.4	-0.5	-4.7
TRANSPORTATION EQUIPMENT		60.7	60.7	62.2	0.0	-1.5
INSTRUMENTS AND RELATED PRODUCTS		35.9	35.9	36.5	0.0	-0.6
MISCELLANEOUS MANUFACTURES		20.8	21.2	21.3	-0.4	-0.5
NONDURABLE GOODS INDUSTRIES	458.6	452.7	456.1	451.6	-3.4	1.1
FOOD AND KINDRED PRODUCTS		91.6	91.5	91.8	0.1	-0.2
TOBACCO MANUFACTURES		1.1	1.0	1.0	0.1	0.1
TEXTILE MILL PRODUCTS		30.4	31.2	30.2	-0.8	0.2
APPAREL AND OTHER TEXTILE PRODS.		79.2	81.9	81.3	-2.7	-2.1
PAPER AND ALLIED PRODUCTS		42.8	42.8	42.2	0.0	0.6
PRINTING AND PUBLISHING		84.3	84.8	83.2	-0.5	1.1
CHEMICALS AND ALLIED PRODUCTS		62.1	61.7	60.4	0.4	1.7
PETROLEUM AND COAL PRODUCTS		10.7	10.6	10.8	0.1	-0.1
RUBBER AND PLASTICS PRODUCTS		40.4	40.4	40.3	0.0	0.1
LEATHER AND LEATHER PRODUCTS		10.1	10.2	10.4	-0.1	-0.3
---NONMANUFACTURING INDUSTRIES	4039.3	4045.1	4079.1	3985.3	-34.0	59.8
MINING	28.3	22.2	28.4	29.0	-6.2	-6.8
CONTRACT CONSTRUCTION	261.8	259.1	251.2	250.9	7.9	8.2
TRANSPORTATION	144.0	143.3	149.0	142.8	-5.7	0.5
PUBLIC UTILITIES	90.5	104.6	104.3	106.0	0.3	-1.4
COMMUNICATIONS		49.3	49.2	50.2	0.1	-0.9
ELECTRIC, GAS AND SANITARY		55.3	55.1	55.8	0.2	-0.5
WHOLESALE TRADE	273.2	273.1	273.5	271.2	-0.4	1.9
RETAIL TRADE	888.0	885.7	891.7	882.9	-6.0	2.8
GENERAL MERCHANDISE STORES		129.2	129.2	125.9	0.0	3.3
FINANCE, INSURANCE AND REAL ESTATE	301.0	301.0	300.4	296.5	0.6	4.5
BANKING		89.7	89.4	87.6	0.3	2.1
INSURANCE CARRIERS		86.0	85.8	85.5	0.2	0.5
SERVICES	1383.6	1386.3	1385.2	1338.9	1.1	47.4
BUSINESS SERVICES		248.8	247.1	233.9	1.7	14.9
HEALTH SERVICES		453.5	450.5	434.7	3.0	18.8
--HOSPITALS		246.8	245.4	237.4	1.4	9.4
LEGAL SERVICES		39.6	39.5	39.0	0.1	0.6
EDUCATIONAL SERVICES		126.8	139.2	126.4	-12.4	0.4
SOCIAL SERVICES		93.6	93.3	90.6	0.3	3.0
OTHER SERVICES		424.0	415.6	414.3	8.4	9.7
GOVERNMENT	668.9	669.8	695.4	667.1	-25.6	2.7
FEDERAL		140.0	140.2	141.3	-0.2	-1.3
STATE		146.0	144.0	140.7	2.0	5.3
LOCAL		383.8	411.2	385.1	-27.4	-1.3
---PERSONS IN LABOR-MGMT. DISPUTES	15.0	7.5	1.1	5.3	6.4	2.2

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

CONTINUED STRENGTH SHOWN AMONG COMMONWEALTH INDUSTRIES

Advance preliminary results from a survey of employer payrolls show continued strength among Commonwealth industries. In August, non-farm jobs totaled 5,114,700 – third highest volume on record behind May and June of this year. Specific industries contributing to the healthy job numbers were contract construction; wholesale trade; finance, insurance, and real estate; and services.

Employment in nondurable goods manufacturing rebounded from vacation shutdowns in July.

NON-FARM JOB LEVELS EXPERIENCE SEASONAL DROP IN JULY

Pennsylvania's nonagricultural jobs numbered 5,106,900 in July, a decrease of 33,300 from June's record-setting level.

Even with the recent employment downturn, the Commonwealth job picture remains healthy as there were currently 58,700 more jobs reported throughout Pennsylvania's businesses and factories than were available one year ago.

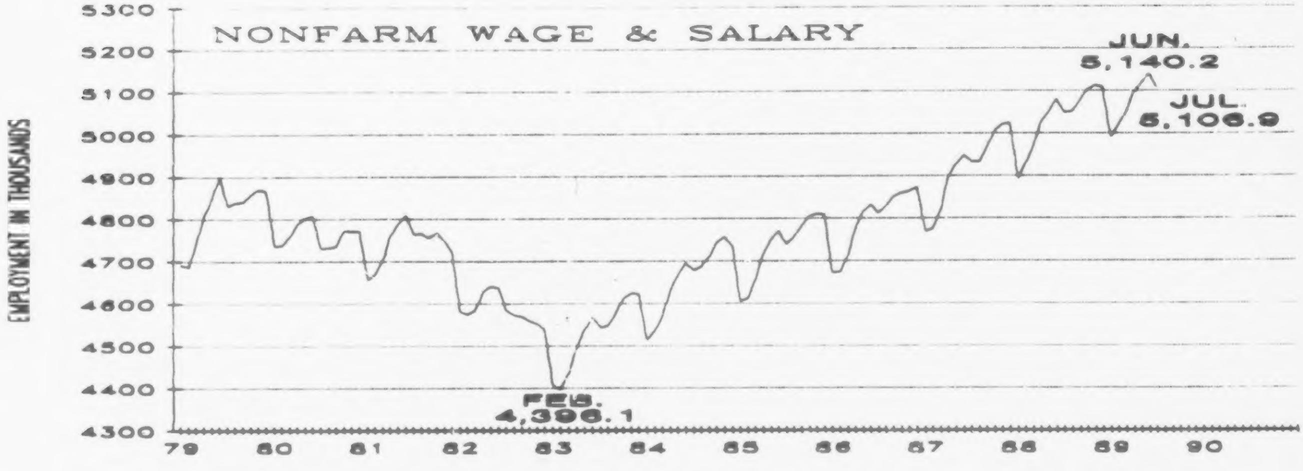
Manufacturing, at 1,054,300 jobs in July resisted the typical mid-summer downturn as payrolls slipped a modest 5,700. Normally, July sees more sizeable employment declines as businesses experience short-term vacation shutdowns. This year, however, the stronger than normal demand for manufactured goods has apparently limited such shutdowns. The decline in non-manufacturing was primarily due to losses in educational services and local government. Both drops were due to school closings and declines in education-related jobs.

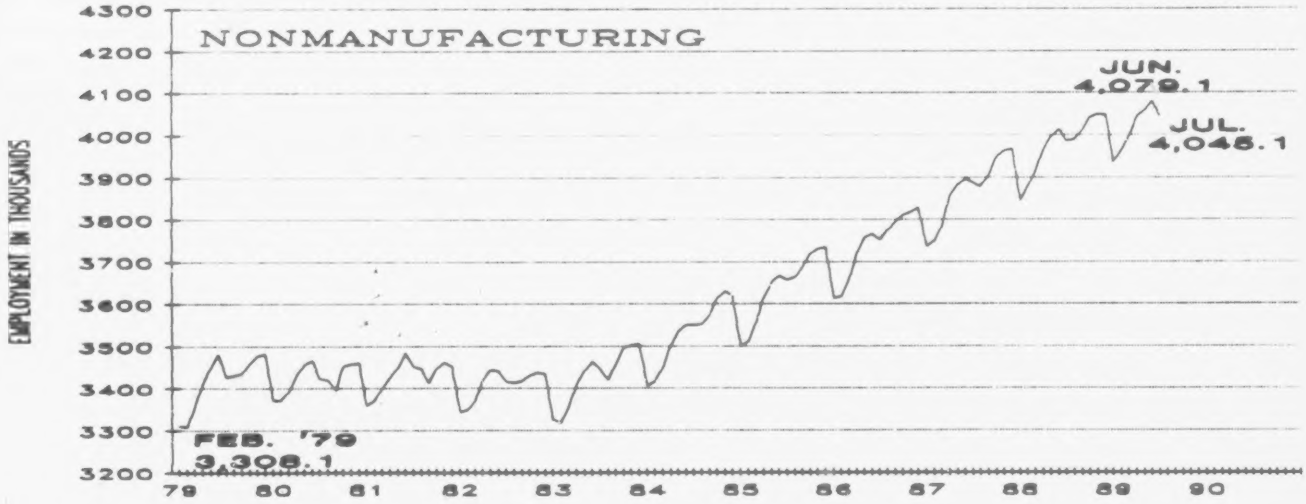
Retail trade dropped more than normal for this period, depicting the recent economic softening. Pennsylvania's consumers have tightened their purse strings in response to higher interest rates after a five-year buying binge.

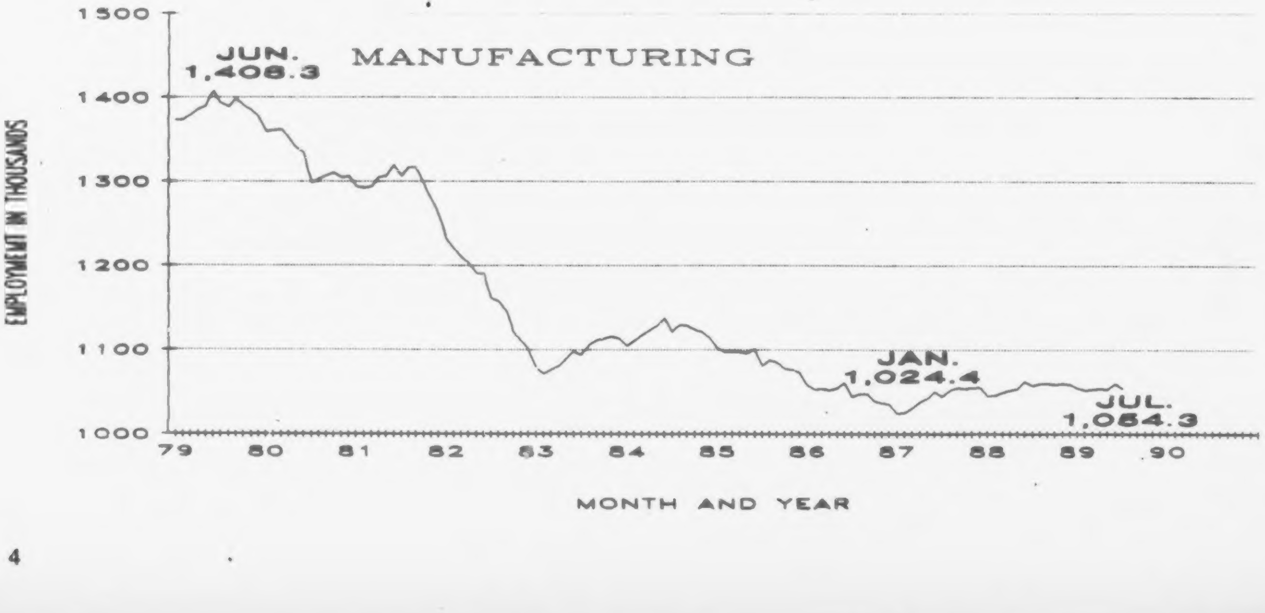
Despite the monthly decline in nonmanufacturing, record highs were achieved in three major industry sectors. These were construction, up 7,900 jobs to 259,100; services, up 1,100 to 1,386,300; and finance, insurance, and real estate, up 600 to 301,000.

Note: The narrative for August is based on advance preliminary data, which can change as more complete data is received and updated.

PENNSYLVANIA WAGE & SALARY JOBS
NOT SEASONALLY ADJUSTED DATA







HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS JULY 1989	JUNE 1989	JULY 1988	AVERAGE WEEKLY HOURS JULY 1989	JUNE 1989	JULY 1988	AVERAGE HOURLY EARNINGS JULY 1989	JUNE 1989	JULY 1988
MANUFACTURING INDUSTRIES	$428.09	$431.26	$417.99	40.5	40.8	40.7	$10.57	$10.57	$10.27
DURABLE GOODS	466.75	472.08	455.94	41.6	42.0	41.6	11.22	11.24	10.96
LUMBER AND WOOD PRODUCTS	348.59	362.15	350.78	39.3	40.6	40.6	8.87	8.92	8.64
FURNITURE ANC FIXTURES	383.55	378.84	377.32	41.6	41.0	42.3	9.22	9.24	8.92
STONE, CLAY, AND GLASS PRODS.	472.01	480.38	458.60	42.6	43.2	42.7	11.08	11.12	10.74
PRIMARY METALS	546.49	555.56	540.12	42.2	43.1	42.0	12.95	12.89	12.86
FABRICATED METAL PRODUCTS	451.08	455.57	443.52	42.0	42.3	42.0	10.74	10.77	10.56
NONELECTRICAL MACHINERY	489.63	496.51	475.15	42.8	43.1	42.5	11.44	11.52	11.18
ELECTRIC AND ELECTRONIC MACH.	415.20	418.31	406.40	40.0	40.3	40.0	10.38	10.38	10.16
TRANSPORTATION EQUIPMENT	527.44	526.58	521.64	41.4	41.3	42.0	12.74	12.75	12.42
INSTRUMENTS AND RELATED PROD.	439.97	442.54	424.36	40.7	40.9	41.0	10.81	10.82	10.35
MISCELLANEOUS MANUFACTURES	417.20	420.97	373.25	40.0	40.4	37.4	10.43	10.42	9.98
NONDURABLE GOODS	378.49	379.25	369.07	39.1	39.3	39.6	9.68	9.65	9.32
FOOD AND KINDRED PRODUCTS	428.98	427.03	415.14	40.7	40.4	40.9	10.54	10.57	10.15
TOBACCO PRODUCTS	276.41	267.68	247.47	42.2	41.5	39.0	6.55	6.45	6.33
TEXTILE PRODUCTS	285.37	296.56	269.89	38.1	39.7	37.8	7.49	7.47	7.14
APPAREL AND RELATED PRODUCTS	228.10	227.15	219.91	35.2	35.0	35.7	6.48	6.49	6.16
PAPER PRODUCTS	485.21	485.35	489.26	42.6	42.8	44.6	11.39	11.34	10.97
PRINTING AND PUBLISHING	427.35	428.16	420.90	38.5	38.4	39.3	11.10	11.15	10.71
CHEMICALS AND ALLIED PRODUCTS	511.22	517.88	524.41	40.8	41.2	42.6	12.53	12.57	12.31
PETROLEUM AND COAL PRODUCTS	597.49	603.35	592.20	42.8	42.7	42.3	13.96	14.13	14.00
RUBBER AND PLASTICS PRODUCTS	381.41	385.48	379.45	41.1	41.9	41.2	9.28	9.20	9.21
LEATHER PRODUCTS	252.13	256.19	218.65	37.8	38.7	36.2	6.67	6.62	6.04
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	478.13	477.04	441.21	37.5	37.8	35.9	12.75	12.62	12.29
BIT. COAL & LIGNITE MINING	640.26	633.91	633.22	40.6	39.3	40.8	15.77	16.13	15.52
COMMUNICATIONS	564.28	565.41	541.31	41.1	40.8	40.7	13.63	13.68	13.30
ELECTRIC, GAS, & SANITARY	673.38	673.67	646.29	43.0	42.8	43.0	15.66	15.74	15.03
GENERAL MERCHANDISE STORES	199.13	190.80	181.67	29.5	28.1	28.7	6.75	6.79	6.33

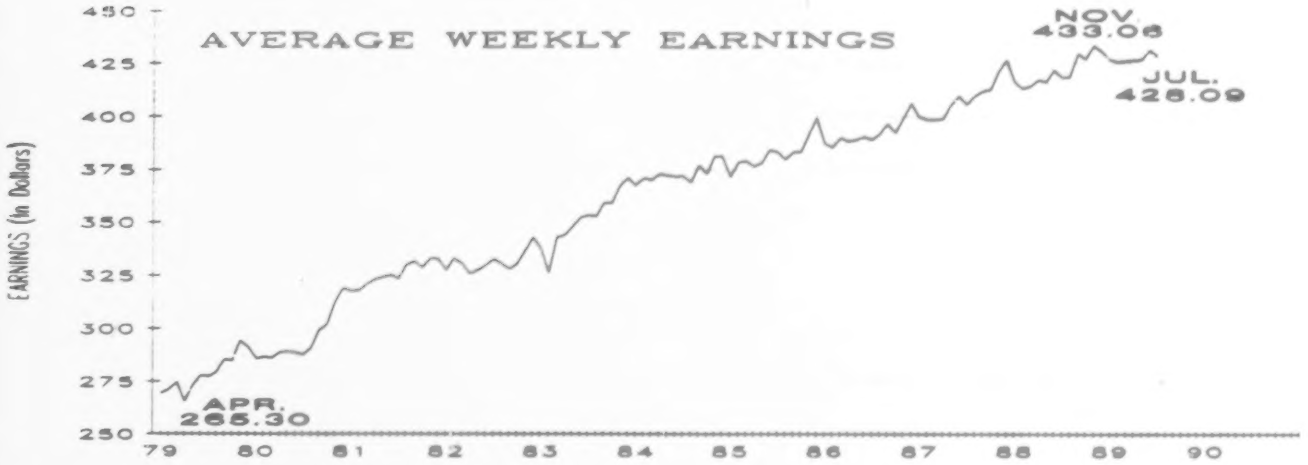
P/ Preliminary data.

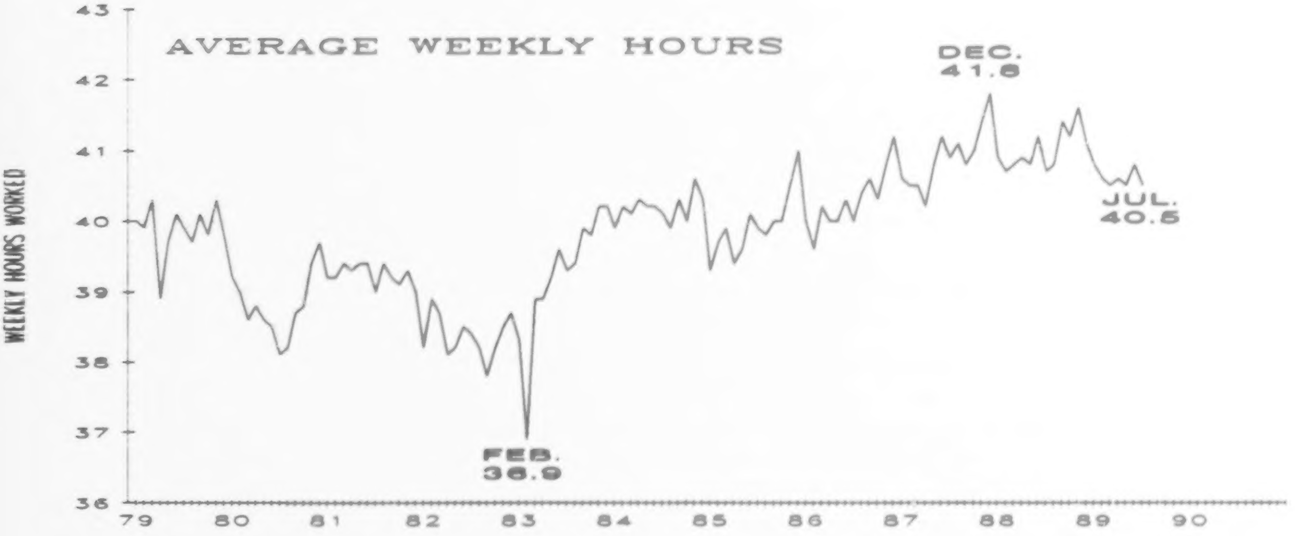
SLIGHT DROP IN HOURS WORKED DURING JULY

Average weekly hours for Pennsylvania's manufacturing production workers dropped 0.3 of an hour to 40.5 for July. However, after the initial drop in January of this year, average hours worked have remained between 40.5 and 40.8. This confirms the healthy economic climate that is continuing in Pennsylvania. The slight decreases in average hours worked during July can be attributed to summer-vacation shutdowns, rather than any economic breakdown. Some industries have increased their hours from month-ago levels, indicating fewer than normal closings for this period. In the durable goods sector, all industries, with the exception of lumber and wood products (39.3 hours), worked an average of 40.0 hours or more.

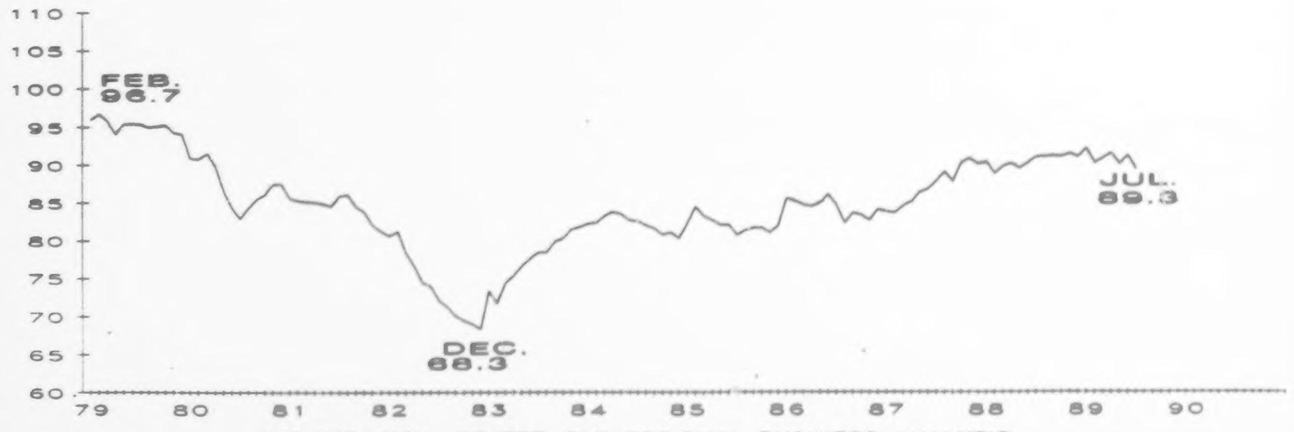
In nonmanufacturing, bituminous coal and lignite mining workers had the highest hourly earnings ($15.77) and the second highest paychecks ($640.26) among the selected industries. Second highest wages of $15.66 an hour along with the longest workweek (43.0 hours) gave utility workers the largest paychecks ($673.38). General merchandise workers, who are mostly part-time workers, increased their workweek by 1.4 hours. This could be due to preparation for early school-shoppers.

PENNSYLVANIA HOURS & EARNINGS
FOR MANUFACTURING PRODUCTION WORKERS





PENNSYLVANIA MANUFACTURING ACTIVITY INDEX (1973=100)



SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

MONTH AND YEAR

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	JULY 1989	JUNE 1989	JULY 1988	NET CHANGE FROM JUNE 89	NET CHANGE FROM JULY 88
CLAIMS ACTIVITY					
Initial Claims	93,305	87,083	82,617	6,222	10,688
Weeks Claimed	518,223	496,575	448,849	21,648	69,374
...Average Weekly Volume	123,386	112,858	106,869	10,528	16,517
Insured Unemployment Rate	2.6%	2.4%	2.3%	0.2	0.3
PAYMENT ACTIVITY					
First Payments	37,329	29,066	32,192	8,263	5,137
Final Payments	8,958	7,177	7,837	1,781	1,121
Weeks Paid	442,138	487,893	394,674	-45,755	47,464
Net Benefit Amount	$72,320,307	$82,738,712	$57,547,049	-$10,418,405	$14,773,258
Average Check Amount	$163.57	$169.58	$145.81	-$6.01	$17.76

UPTURN IN CLAIMS ACTIVITY FOR JULY

The number of claims grew in July. The initial claims total rose for the third successive month with a 6,222 or 7 percent advance from June to July. Since April, initial claims have increased by 27,015. Following a downturn in June, the number of weeks claimed jumped by 21,648 or 4 percent in July from the previous month. The initial claims total in four of the past five months and the weeks claimed total for the past four months have been above year-ago levels. The insured unemployment rate (IUR) moved up from June's 2.4 percent to 2.6 percent in July, which was 0.3 of a percentage point, higher than the July 1988 rate. This was the first time since 1982 that the IUR for July was higher than the figure for the same month in the previous year.

The ratio of weeks paid to weeks claimed dropped from .98 in June to .85 in July. Reflecting this change, the weeks paid total fell by 45,755 or 9 percent from June to July. However, July's weeks paid total of 442,138 was 12 percent above a year ago. The average check amount underwent a significant decline ($6.01) from June to July. This downturn reflected the trend of the previous three years. The reduced weeks paid total and average check amount produced an over-the-month decline in the net benefit amount for July of $10.4 million. During July, disbursements topped income by $17 million which lowered the amount of cash reserves in the Trust Fund at the end of the month to $1.44 billion.

UNEMPLOYMENT COMPENSATION TRUST FUND - JULY 1989

Income	$ 55,050,536	Cash Reserves	$ 1,439,981,697
Disbursements	$ 72,316,918	Net Reserves	$ 1,439,981,697

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

FULL EMPLOYMENT RECORDED IN THIRTY-ONE COUNTIES

Unemployment rates, not seasonally adjusted, of 5.0 percent or less were recorded in thirty-one counties during July. All but two of these were counties that maintained their full employment status from June. Erie and Washington Counties joined the group by dropping 0.3 percentage point to rates of 4.8 and 4.9, respectively. Single-digit unemployment rates were reflected in all sixty-seven Pennsylvania Counties.

July and August are two months when businesses experience short-term vacation shutdowns. Thus, some increase in rates would be considered normal for these periods. However, the increases for July appear to be very limited.

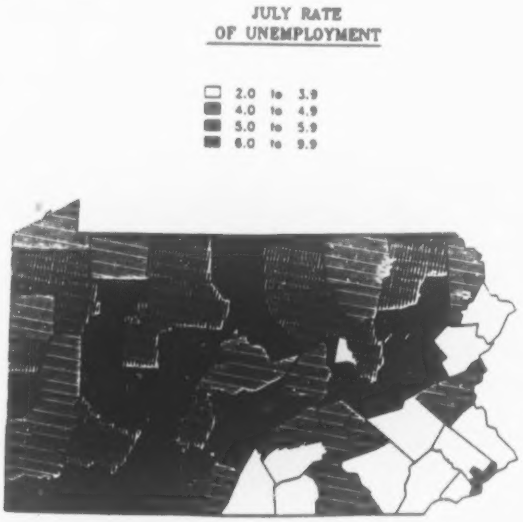


TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
JULY - 1989

COUNTY	RANK	RATE (%)	VOLUME
Chester	1	2.9	5700
Montgomery	2	3.0	11700
Cumberland	3	3.1	3400
Bucks	4	3.3	10000
Delaware	4	3.3	10100
Lancaster	6	3.4	7800
Montour	6	3.4	300
Franklin	8	3.6	2100
Berks	9	3.8	6900
Monroe	9	3.8	1800
Adams	11	3.9	1500
Pike	11	3.9	500
Bradford	13	4.0	1300
Allegheny	14	4.1	27100
Dauphin	14	4.1	5600
York	14	4.1	7700
Wayne	17	4.2	1000
Centre	18	4.3	2700
Lehigh	18	4.3	6500
Mercer	20	4.4	2300
Northampton	21	4.5	5300
Union	21	4.5	800
Warren	21	4.5	1000
Fulton	24	4.6	300
Lebanon	24	4.6	3100
Perry	24	4.6	1000
Snyder	27	4.7	900
Sullivan	27	4.7	100
Butler	29	4.8	3500
Erie	29	4.8	6500
Washington	31	4.9	4600
Lawrence	32	5.1	2400
Philadelphia	33	5.2	39200
Venango	33	5.2	1300
Elk	35	5.4	1000
Cameron	36	5.5	200
Crawford	36	5.5	2200
Columbia	38	5.6	1800
Lycoming	38	5.6	3400
Westmoreland	38	5.6	9900
Wyoming	38	5.6	800
Jefferson	42	5.7	1200
Tioga	43	5.8	1100
Blair	44	5.9	3600
McKean	44	5.9	1200
Susquehanna	44	5.9	1100
Luzerne	47	6.3	10400
Clarion	48	6.5	1100
Juniata	48	6.5	700
Lackawanna	48	6.5	7400
Fayette	51	6.6	3900
Mifflin	51	6.6	1500
Potter	53	6.7	600
Somerset	54	6.8	2200
Huntingdon	55	7.1	1300
Northumberland	56	7.2	3700
Armstrong	57	7.3	2100
Carbon	57	7.3	1900
Schuylkill	57	7.3	5400
Beaver	60	7.6	4600
Bedford	61	7.7	1700
Cambria	62	8.6	5700
Clinton	62	8.6	1300
Clearfield	64	8.9	3200
Indiana	65	9.4	3200
Greene	66	9.5	1300
Forest	67	9.6	200

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE
BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA
(Seasonally adjusted, number in thousands)

AREA	JULY 1989 * UNEMPLOYMENT NUMBER AND RATE%		JUNE 1989 UNEMPLOYMENT NUMBER AND RATE%		JULY 1988 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6497.0	5.2	6561.0	5.3	6624.0	5.4
PENNSYLVANIA	261.0	4.5	239.0	4.0	301.0	5.2
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	13.5	4.1	12.6	3.7	14.6	4.5
ALTOONA MSA	3.6	6.0	3.3	5.4	4.4	7.4
BEAVER COUNTY PMSA	4.3	7.3	4.1	6.9	5.8	9.6
ERIE MSA	6.2	4.7	6.0	4.5	8.0	6.1
HARRISBURG-LEB-CARLISLE MSA	12.0	3.7	10.7	3.2	13.4	4.2
JOHNSTOWN MSA	7.6	7.8	6.5	6.7	7.2	7.6
LANCASTER MSA	6.9	3.1	6.2	2.7	8.2	3.8
PHILADELPHIA PMSA	88.9	3.7	85.4	3.5	99.6	4.1
PITTSBURGH PMSA	42.8	4.4	43.3	4.4	55.5	5.8
READING MSA	6.4	3.6	5.9	3.3	7.2	4.2
SCRANTON--WILKES-BARRE MSA	19.8	5.5	19.1	5.2	22.8	6.4
SHARON MSA	2.2	4.2	2.4	4.5	2.8	5.6
STATE COLLEGE MSA	2.7	4.2	2.6	4.0	3.7	5.9
WILLIAMSPORT MSA	3.5	5.8	3.5	5.7	3.3	5.6
YORK MSA	8.9	4.0	8.4	3.7	9.6	4.4

* Preliminary data.

UNEMPLOYMENT RATES HOLD STEADY IN MOST LABOR MARKET AREAS

Seasonally adjusted unemployment rates held steady among the fifteen major labor market areas. The ten areas that recorded rates less than 5.0 percent in June continued to do so in July. Five percent is the level considered full employment by most economists. With the exception of Williamsport's modest increase of 0.2 percentage point, the remaining labor market areas had rates lower that year-ago levels. The area unemployment rates are aligned with the State and indicate a healthy environment with slower growth, but no indication of an economic breakdown at this time.

SERVICE DELIVERY AREAS

In July, the unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.9 for SDA 21 to 7.6 for SDA 05 (see table 7 on next page).

SERVICE DELIVERY AREAS

TABLE 7
MONTHLY EMPLOYMENT SITUATION
JULY 1989 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	135.5	129.0	6.5	4.8
02	Clarion, Crawford, Forest, Venango, Warren	107.3	101.5	5.8	5.4
03	City of Pittsburgh	177.8	169.9	7.9	4.5
04	Allegheny County minus City of Pittsburgh	486.0	466.9	19.1	3.9
05	Beaver	60.2	55.7	4.6	7.6
06	Armstrong, Butler, Indiana	136.5	127.7	8.9	6.5
07	Fayette, Westmoreland	235.4	221.6	13.8	5.9
08	Greene, Washington	106.9	101.1	5.8	5.4
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	106.5	99.2	7.3	6.8
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	207.9	193.0	14.9	7.2
11	Centre, Clinton, Lycoming, Mifflin	163.0	154.0	9.0	5.5
12	Columbia, Juniata, Montour, Northumberland, Snyder, Union	139.0	130.8	8.1	5.8
13	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	87.2	82.8	4.4	5.1
14	Lackawanna	113.9	106.5	7.4	6.5
15	Carbon, Monroe, Pike, Wayne	109.6	104.5	5.2	4.7
16	Luzerne, Schuylkill	240.0	224.1	15.9	6.6
17	Philadelphia	750.6	711.3	39.2	5.2
18	Bucks	300.6	290.6	10.0	3.3
19	Montgomery	395.1	383.4	11.7	3.0
20	Delaware	304.2	294.2	10.1	3.3
21	Chester	195.4	189.7	5.7	2.9
22	Lehigh, Northampton	271.3	259.5	11.8	4.4
23	Berks	181.1	174.2	6.9	3.8
24	Cumberland, Dauphin, Lebanon, Perry	336.1	323.1	13.0	3.9
25	Lancaster	228.6	220.7	7.8	3.4
26	York	185.4	177.7	7.7	4.1
27	Adams, Franklin	98.0	94.4	3.6	3.7
28	Lawrence, Mercer	101.3	96.6	4.7	4.7
	PENNSYLVANIA - TOTAL	5961.0	5684.0	277.0	4.6

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.

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10/24/89

ALLENTOWN-BETHLEHEM MSA ALTOONA MSA BEAVER COUNTY PMSA ERIE MSA HARRISBURG-LEBANON-CARLISLE MSA JOHNSTOWN MSA LANCASTER MSA
PHILADELPHIA PMSA PITTSBURGH PMSA READING MSA SCRANTON /WILKES-BARRE MSA SHARON MSA STATE COLLEGE MSA WILLIAMSPORT MSA YORK MSA

PENNSYLVANIA'S LABOR FORCE

.... A Monthly Statistical Analysis

HIGHLIGHTS

- The seasonally adjusted unemployment rate for Pennsylvania dropped to 4.1 percent in September.
- September's total of 5,120,500 nongricultural jobs was the second-highest on record.
- Trust fund balance of $1,622,999,947 was the highest end-of-a month balance on record.
- Average weekly hours were up 0.1 of an hour in August.
- In August, ten of the fifteen major market areas maintained their full employment rates of 5.0 percent or less.
- Fifteen additional counties attained full employment in August, bringing the total to forty-six.

INSIDE

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Pennsylvania's Labor Markets..........9
Pennsylvania's Service Delivery Areas........................10

ISSUED: OCTOBER 1989

LABOR MARKET INFORMATION

Commonwealth of Pennsylvania
Robert P. Casey, Governor
Department of Labor and Industry
Bureau of Research and Statistics

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF LABOR AND INDUSTRY

BUREAU OF RESEARCH AND STATISTICS

Pennsylvania's Labor Force ....A Monthly Statistical Analysis

is published monthly by the Bureau of Research and Statistics. Focusing on economic information and analysis, the publication is intended for a variety of users from business leaders, government administrators and planners to the general public.

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LABOR AND INDUSTRY BUILDING
SEVENTH AND FORSTER STREETS
HARRISBURG, PA 17121
PHONE: (717) 787-6466

Inquiries can also be directed to Labor Market Analysts located throughout Pennsylvania. The following is a list of Analysts and the counties they serve.

Analyst	Phone Number	Counties
Edward Murray	(215)560-1977 560-1978	Bucks, Chester, Delaware, Montgomery, Philadelphia Counties in PA; Burlington, Camden, and Gloucester Counties in NJ
Kenneth Shockley	(215)378-4314	Carbon, Lehigh, Northampton, Pike, Wayne, Schuylkill, Berks Counties in PA; Warren County, NJ
John H. Ruehlman, Jr.	(717)826-2538 826-2418	Columbia, Lackawanna, Luzerne, Monroe, Wyoming, Sullivan, Susquehanna, Bradford, Tioga
James J. Mowad	(717)783-3294 783-3908	Cumberland, Dauphin, Lebanon, Perry, Lancaster, Adams, York, Franklin, Fulton
Glenn Lynn	(717)327-3504 327-3532	Centre, Lycoming, Potter, Juniata, Mifflin, Clinton, Montour, Northumberland, Snyder, Union
William Findley	(814)533-2213 533-2207	Blair, Cambria, Somerset, Bedford, Clearfield, Jefferson, Huntingdon, Elk, Cameron
William Ceriani	(412)565-5350 565-5324 565-5346	Beaver, Allegheny, Fayette, Washington, Westmoreland, Butler Indiana, Armstrong, Lawrence, Greene
Carol Patterson	(814)871-4298 871-4765	Erie, Mercer, McKean, Clarion, Crawford, Forest, Venango, Warren

CURRENT LABOR FORCE SITUATION

UNEMPLOYMENT RATE DROPS TO 4.1 IN SEPTEMBER

Pennsylvania's employment situation continued to look sharp in September despite the nation's economic soft landing. An employment gain of 52,000 and a slight reduction in the number of unemployed combined to lower the statewide jobless rate to 4.1 percent in September from 4.3 percent in August. The rate was well below the nationwide rate of 5.3 percent.

Data, made available through the Current Population Survey of households and released by the U.S. Department of Labor's Bureau of Labor Statistics, show September's seasonally adjusted employment in Pennsylvania at 5,572,000, up from 5,520,000 in August. Although recent employment fluctuations have been inconsistent in response to economic softness, September's employment level was 49,000 above the year-ago level. During the past two years, employment advanced 205,000.

Strength in the employment numbers is supported by preliminary results from our own survey of employers. The employer survey showed a gain of 21,200 jobs to the second highest level on record. A loss of jobs is not reflected in these numbers, as shown by the CPS, since most summer jobs for youth are not reported by employers. Consequently, the employer survey does not reflect the large early summer build-up and the late summer decline in temporary jobs. The September job growth was very close to seasonal expectations, occurring primarily in government and services, both being education related.

TABLE 1
TOTAL CIVILIAN LABOR FORCE
EMPLOYMENT AND UNEMPLOYMENT
IN PENNSYLVANIA
(A'l persons in thousands)

RESIDENT DATA	SEPT. 1989	AUG. 1989	SEPT. 1988	NET CHANGE FROM AUG. 1989	NET CHANGE FROM SEPT. 1988
SEASONALLY ADJUSTED DATA					
Civilian Labor Force	5,813	5,768	5,827	45	-14
Employment	5,572	5,520	5,523	52	49
Unemployment	241	248	304	-7	-63
Rate of Unemployment (%)	4.1	4.3	5.2	-0.2	-1.1
UNADJUSTED DATA					
Civilian Labor Force	5,862	5,919	5,881	-57	-19
Employment	5,625	5,686	5,584	-61	41
Unemployment	237	233	297	4	-60
Rate of Unemployment (%)	4.0	3.9	5.1	0.1	-1.1

UNITED STATES & PENNSYLVANIA
UNEMPLOYMENT RATES
(SEASONALLY ADJUSTED)

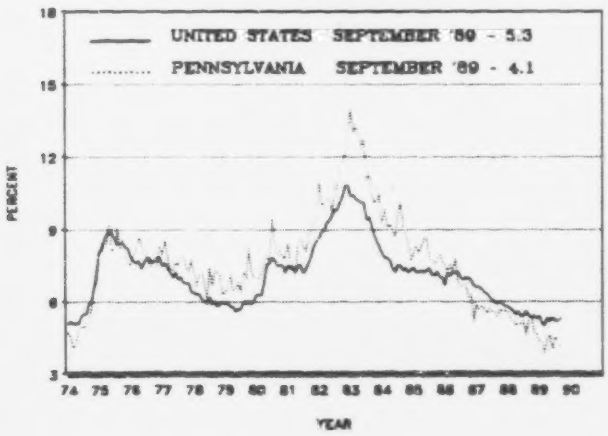


TABLE 2
NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
(Not seasonally adjusted, number in thousands)

ESTABLISHMENT DATA	SEPT. 1989 AP/	AUG. 1989 P/	JULY 1989	AUG. 1988	NET CHANGE TO AUG. 1989 FROM:	
					JULY 1989	AUG. 1988
NONAG. WAGE AND SALARY	5120.5	5099.3	5107.5	5050.8	-8.2	48.5
---MANUFACTURING INDUSTRIES	1063.0	1058.4	1055.4	1060.7	3.0	-2.3
DURABLE GOODS INDUSTRIES	595.2	599.2	602.1	604.2	-2.9	-5.0
LUMBER AND WOOD PRODUCTS		31.9	31.6	32.2	0.3	-0.3
FURNITURE AND FIXTURES		21.5	21.6	21.6	-0.1	-0.1
STONE, CLAY, AND GLASS PRODUCTS		47.9	47.9	48.4	0.0	-0.5
PRIMARY METAL INDUSTRIES		92.3	93.0	91.9	-0.7	0.4
FABRICATED METAL PRODUCTS		90.9	90.5	92.2	0.4	-1.3
MACHINERY, EXCEPT ELECTRICAL		111.6	112.3	108.1	-0.7	3.5
ELECTRIC & ELECTRONIC EQUIPMENT		87.4	88.4	91.9	-1.0	-4.5
TRANSPORTATION EQUIPMENT		59.0	60.1	60.4	-1.1	-1.4
INSTRUMENTS AND RELATED PRODUCTS		35.9	35.8	36.5	0.1	-0.6
MISCELLANEOUS MANUFACTURES		20.8	20.9	21.0	-0.1	-0.2
NONDURABLE GOODS INDUSTRIES	457.8	459.2	453.3	456.5	5.9	2.7
FOOD AND KINDRED PRODUCTS		92.3	91.6	92.7	0.7	-0.4
TOBACCO MANUFACTURES		1.0	1.1	1.1	-0.1	-0.1
TEXTILE MILL PRODUCTS		30.9	30.5	31.2	0.4	-0.3
APPAREL AND OTHER TEXTILE PRODS.		84.3	79.8	83.6	4.5	0.7
PAPER AND ALLIED PRODUCTS		42.8	42.8	42.5	0.0	0.3
PRINTING AND PUBLISHING		84.8	84.3	83.5	0.5	1.3
CHEMICALS AND ALLIED PRODUCTS		61.7	62.1	60.3	-0.4	1.4
PETROLEUM AND COAL PRODUCTS		10.7	10.6	10.7	0.1	0.0
RUBBER AND PLASTICS PRODUCTS		40.5	40.4	40.5	0.1	0.0
LEATHER AND LEATHER PRODUCTS		10.2	10.1	10.4	0.1	-0.2
---NONMANUFACTURING INDUSTRIES	4063.8	4026.1	4044.6	3989.0	-18.5	37.1
MINING	28.0	27.9	21.9	29.0	6.0	-1.1
CONTRACT CONSTRUCTION	258.7	261.7	260.2	253.1	1.5	8.6
TRANSPORTATION	150.5	143.0	143.1	142.2	-0.1	0.8
PUBLIC UTILITIES	103.3	90.7	104.6	106.0	-13.9	-15.3
COMMUNICATIONS		35.4	49.3	50.4	-13.9	-15.0
ELECTRIC, GAS AND SANITARY		55.3	55.3	55.6	0.0	-0.3
WHOLESALE TRADE	270.3	272.2	272.7	271.0	-0.5	1.2
RETAIL TRADE	882.6	882.0	885.6	885.6	-3.6	-3.6
GENERAL MERCHANDISE STORES		127.4	128.5	125.5	-1.1	1.9
FINANCE, INSURANCE AND REAL ESTATE	297.7	299.6	300.5	295.9	-0.9	3.7
BANKING		90.0	89.9	87.8	0.1	2.2
INSURANCE CARRIERS		85.8	86.0	85.3	-0.2	0.5
SERVICES	1393.0	1383.2	1385.8	1338.8	-2.6	44.4
BUSINESS SERVICES		250.0	248.8	235.0	1.2	15.0
HEALTH SERVICES		453.0	453.1	435.1	-0.1	17.9
--HOSPITALS		246.3	246.4	237.5	-0.1	8.8
LEGAL SERVICES		39.2	39.5	38.7	-0.3	0.5
EDUCATIONAL SERVICES		124.7	126.9	125.7	-2.2	-1.0
SOCIAL SERVICES		93.1	93.8	90.8	-0.7	2.3
OTHER SERVICES		423.2	423.7	413.5	-0.5	9.7
GOVERNMENT	679.7	665.8	670.2	667.4	-4.4	-1.6
FEDERAL		140.0	140.2	140.6	-0.2	-0.6
STATE		147.5	146.0	146.1	1.5	1.4
LOCAL		378.3	384.0	380.7	-5.7	-2.4
---PERSONS IN LABOR-MGMT. DISPUTES	3.7	14.8	7.5	1.1	7.3	13.7

AP/ = Advanced preliminary, based on early survey returns.
P/ = Preliminary data.

SEPTEMBER NONAGRICULTURAL JOBS SECOND HIGHEST ON RECORD

Nonagricultural jobs in Pennsylvania increased by 21,200 during September according to advance preliminary figures from a survey of employer payrolls. This increase is a fairly normal August/September gain. A total of 5,120,500 jobs was the second-highest on record.

In manufacturing, losses were greater than expected in the durable goods sector, primarily because of work stoppages in several industry lines.

Most nonmanufacturing industries followed seasonal patterns for this period. The higher-than-expected increase in the transportation and public utilities industry was the result of a work stoppage settlement by public utility workers. The largest increase (13,900 jobs) occurred in government as schools re-opened. In addition to this seasonal gain, the federal government was hiring census workers. In retail trade, a gain of 600 jobs was nearly 3,000 less than seasonally expected for the month, indicating that consumers are still being cautious with their spending. Services gained 9,800 jobs over the month for a record-high total of 1,393,000. This gain in services is expected during September as workers who normally take the summer off return to the work force.

Overall, Pennsylvania's employment remains at near record levels, even though gains have not been greater than seasonally expected.

NON-FARM JOBS DROP AGAIN IN AUGUST

Pennsylvania's non-farm jobs numbered 5,099,300 in August—a drop of 8,200 from July. This drop is a departure from the normal July/August gain, and is following the recent trend of less-than-normal increases. The economy has been softening, and perhaps the "soft landing" predicted by many economists is at hand. Nevertheless, the economic climate for the State is still good with total jobs up 48,500 from this period last year. There are still near-record number of workers employed in Pennsylvania and many businesses are seeking to hire additional workers.

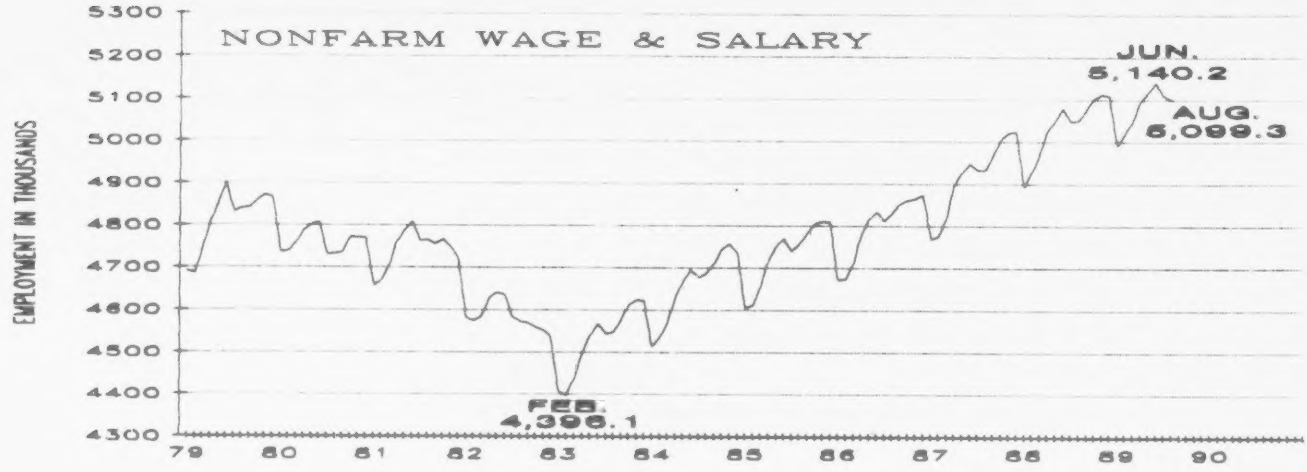
Manufacturing increased 3,000 over the month, but is still down 2,300 from year-ago levels, and the gain was less than expected. This was primarily due to losses in the electric and electronic, and transportation equipment industries, both in the durable (hard goods) sector. A plant closing and work stoppage accounted for the majority of this decline.

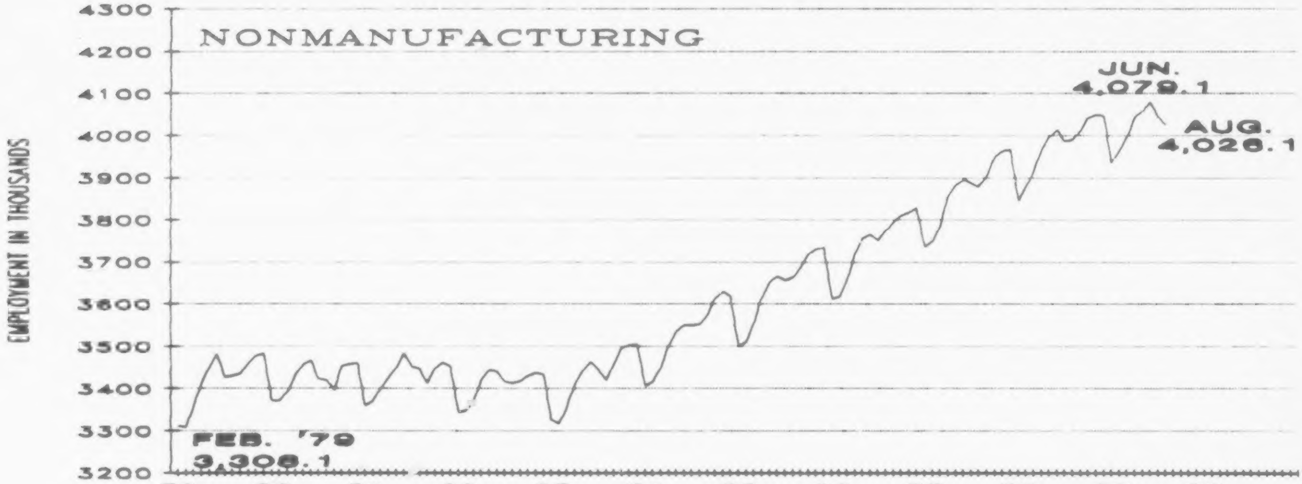
Nondurable goods were up from month-ago and year-ago levels, with monthly increases in all but two reported industries: tobacco manufacturers, down 100; and chemicals and allied products, down 400.

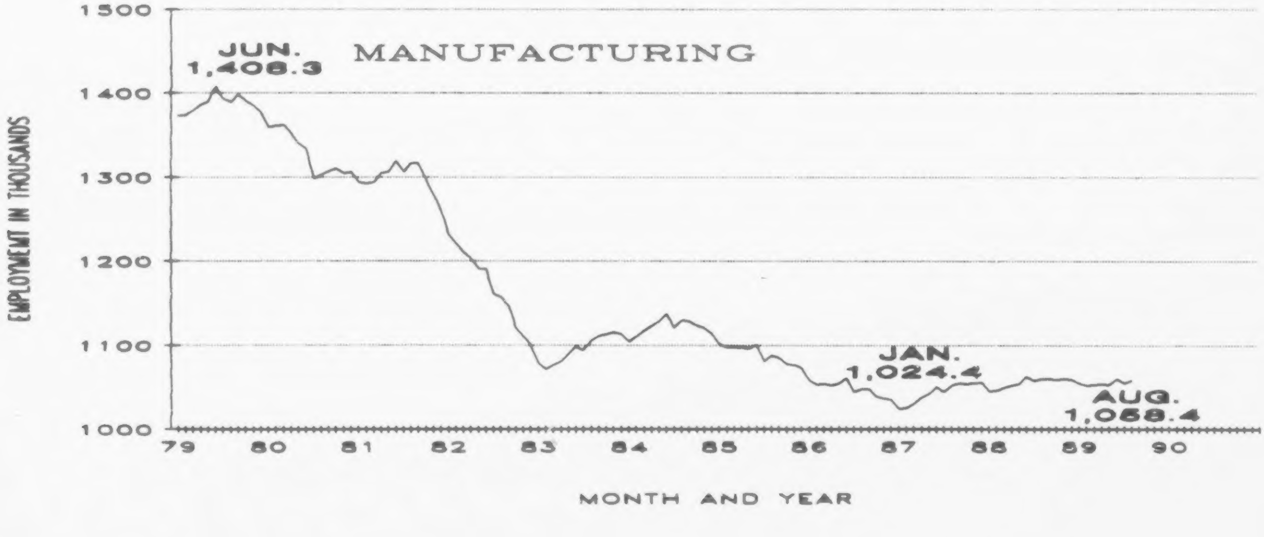
Hampered by a major work stoppage in the public utilities industry line, nonmanufacturing jobs declined in August by 18,500 to a total of 4,026,100. Over the year, nonmanufacturing employment increased by 37,100. In this division, contract construction continued to show strength, up 1,500 jobs from July to a record-level of 261,700. Retail trade dropped 3,600 over the month, deviating from a normal gain during August. Consumers, having satisfied their needs earlier, are cutting back on "non-essential" purchases. While nonmanufacturing job losses were rather widespread in August, job counts remained up in most industries from this period last year.

PENNSYLVANIA WAGE & SALARY JOBS

NOT SEASONALLY ADJUSTED DATA







HOURS AND EARNINGS

TABLE 3
PENNSYLVANIA HOURS AND EARNINGS
OF MANUFACTURING AND SELECTED NONMANUFACTURING PRODUCTION WORKERS
(Not seasonally adjusted, number in thousands)

INDUSTRY TITLE	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	AUG. 1989 P/	JULY 1989	AUG. 1988	AUG. 1989 P/	JULY 1989	AUG. 1988	AUG. 1989 P/	JULY 1989	AUG. 1988
MANUFACTURING INDUSTRIES	$426.87	$427.03	$418.20	40.5	40.4	40.8	$10.54	$10.57	$10.25
DURABLE GOODS	464.51	465.63	454.69	41.4	41.5	41.6	11.22	11.22	10.93
LUMBER AND WOOD PRODUCTS	353.23	353.63	353.05	39.6	39.6	41.1	8.92	8.93	8.59
FURNITURE AND FIXTURES	371.90	382.12	367.52	40.6	41.4	40.7	9.16	9.23	9.03
STONE, CLAY, AND GLASS PRODS.	474.88	472.86	454.75	42.4	42.6	42.5	11.20	11.10	10.70
PRIMARY METALS	532.48	545.25	530.87	41.6	42.3	41.9	12.80	12.89	12.67
FABRICATED METAL PRODUCTS	453.00	449.35	444.16	42.1	41.8	42.1	10.76	10.75	10.55
NONELECTRICAL MACHINERY	489.47	483.91	476.96	42.6	42.3	42.7	11.49	11.44	11.17
ELECTRIC AND ELECTRONIC MACH.	424.32	417.04	414.12	40.8	40.1	40.6	10.40	10.40	10.20
TRANSPORTATION EQUIPMEN	524.30	527.31	536.24	40.3	41.1	41.8	13.01	12.83	12.85
INSTRUMENTS AND RELATED PROD.	437.26	437.81	412.40	40.6	40.5	40.0	10.77	10.81	10.31
MISCELLANEOUS MANUFACTURES	397.97	413.76	382.53	38.6	39.9	38.6	10.31	10.37	9.91
NONDURABLE GOODS	381.18	378.40	370.94	38.5	38.3	39.8	9.90	9.88	9.32
FOOD AND KINDRED PRODUCTS	439.74	428.57	420.86	41.8	40.7	41.1	10.52	10.53	10.24
TOBACCO PRODUCT	276.30	276.41	260.07	41.8	42.2	40.7	6.61	6.55	6.39
TEXTILE PRODUCTS	282.11	287.25	283.02	38.0	38.3	39.2	7.42	7.50	7.22
APPAREL AND RELATED PRODUCTS	227.69	228.10	221.70	35.3	35.2	35.7	6.45	6.48	6.21
PAPER PRODUCTS	499.22	483.61	474.34	43.6	42.2	43.2	11.45	11.46	10.98
PRINTING AND PUBLISHING	427.01	425.13	432.02	38.4	38.3	40.3	11.12	11.10	10.72
CHEMICALS AND ALLIED PRODUCTS	509.53	508.31	522.79	40.6	40.6	42.4	12.55	12.52	12.33
PETROLEUM AND COAL PRODUCTS	604.62	606.05	594.46	42.4	42.8	42.1	14.26	14.16	14.12
RUBBER AND PLASTICS PRODUCTS	380.48	382.23	374.40	41.0	41.1	41.6	9.28	9.30	9.00
LEATHER PRODUCTS	267.34	253.65	228.59	39.2	38.2	36.4	6.82	6.64	6.28
NONMANUFACTURING INDUSTRIES									
ANTHRACITE COAL MINING	464.94	475.73	443.17	36.9	37.4	36.9	12.60	12.72	12.01
BIT. COAL & LIGNITE MINING	657.64	600.12	647.33	41.0	38.2	41.1	16.04	15.71	15.75
COMMUNICATIONS	565.60	564.70	551.36	40.4	41.4	40.6	14.00	13.64	13.58
ELECTRIC, GAS, & SANITARY	676.60	671.96	649.89	42.5	42.8	42.7	15.92	15.70	15.22
GENERAL MERCHANDISE STORES	192.38	195.84	181.32	28.8	28.8	28.6	6.68	6.80	6.34

P/ Preliminary data.

AVERAGE WEEKLY HOURS UP 0.1 OF AN HOUR IN AUGUST

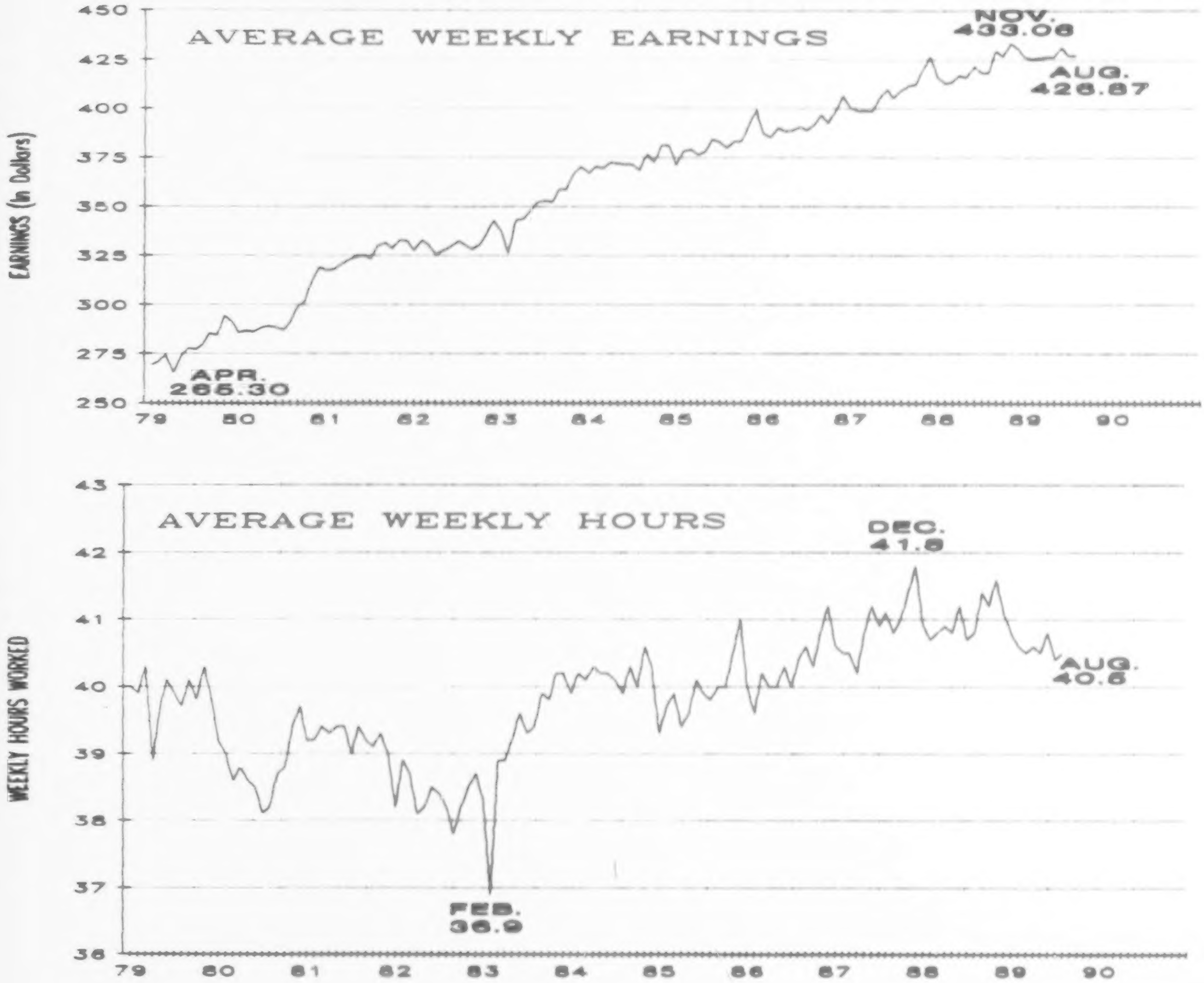
An increase of 0.1 of an hour worked, combined with a slight decrease of $.03 an hour gave manufacturing production workers average weekly earnings of $426.87 for August. This was only $.16 less than last month, but $8.67 more than August 1988.

Average weekly hours worked have ranged betwen 40.4 and 40.8 hours for all of 1989. This is still a good sign that Pennsylvania's economy is holding steady, with no immediate signs of "letting up."

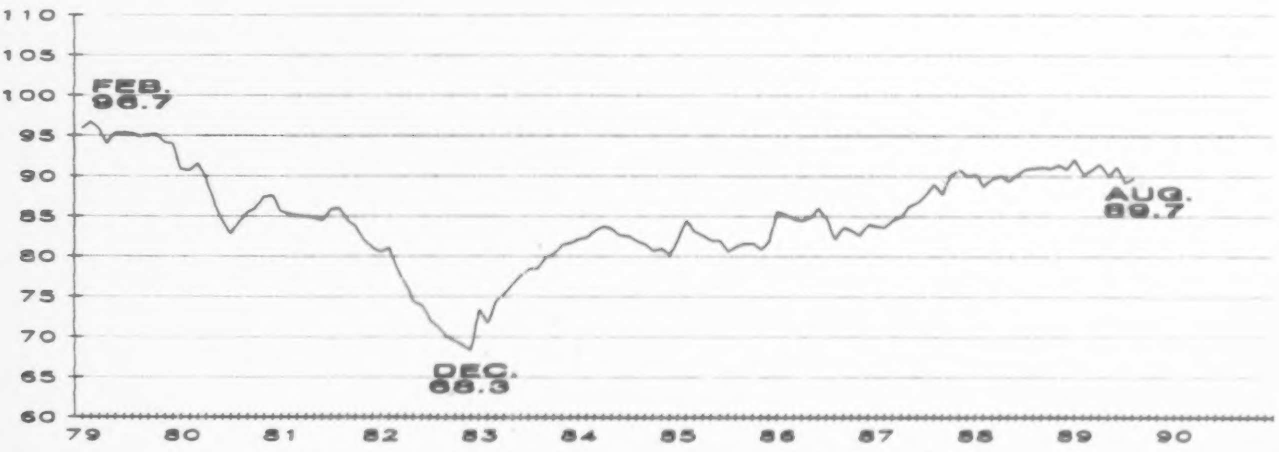
Hourly earnings increased for workers in all industries from year-ago levels. In manufacturing, the increases ranged from 1.0 percent, or $.14 an hour for leather products workers to 8.6 percent, or $.54 an hour for petroleum and coal products workers. In the nonmanufacturing sector, bituminous coal and lignite mining workers averaged 1.8 percent or $.29 an hour more, while general merchandise workers received an average of 5.4 percent or $.34 an hour more.

Average weekly earnings were up from August 1988 in all but two industries (transportation equipment and chemicals and allied products), both in the manufacturing sector. This decrease was caused by a loss of more than an hour in their average workweek.

PENNSYLVANIA HOURS & EARNINGS
FOR MANUFACTURING PRODUCTION WORKERS



PENNSYLVANIA MANUFACTURING ACTIVITY INDEX
(1973=100)



SOURCE: PSU, CENTER FOR REGIONAL BUSINESS ANALYSIS

MONTH AND YEAR

UNEMPLOYMENT COMPENSATION

TABLE 4
UNEMPLOYMENT COMPENSATION REGULAR PROGRAM
(Not seasonally adjusted)

	AUGUST 1989	JULY 1989	AUGUST 1988	NET CHANGE FROM JULY 89	NET CHANGE FROM AUG. 88
CLAIMS ACTIVITY					
Initial Claims	72,789	93,305	64,065	-20,516	8,724
Weeks Claimed	538,497	518,223	495,702	20,274	42,795
...Average Weekly Volume	117,065	123,386	107,761	-6,321	9,304
Insured Unemployment Rate	2.5%	2.6%	2.3%	-0.1	0.2
PAYMENT ACTIVITY					
First Payments	28,904	37,329	26,808	-8,425	2,096
Final Payments	9,016	8,958	7,543	58	1,473
Weeks Paid	483,985	442,138	419,991	41,847	63,994
Net Benefit Amount	$75,602,357	$72,320,307	$59,862,681	$3,282,050	$15,739,676
Average Check Amount	$156.21	$163.57	$142.53	-$7.36	$13.68

WEEKS CLAIMED UP FROM A YEAR AGO

The number of weeks claimed in August grew to 538,497, an increase of 20,274 or 4 percent from July. Compared to a year ago, the August weeks claimed total was up 42,795 or 9 percent. Because there were more work days in August than July, the average weekly volume of weeks claimed dropped by 6,321 or 5 percent from July to August. As a result, the insured unemployment rate dipped from July's 2.6 percent. In accordance with seasonal movements, the number of initial claims plunged by 20,516 or 22 percent from July to August. However, the August initial claims total of 72,789 exceeded the year-ago total by 8,724 or 14 percent.

The weeks paid total jumped by 41,847 or 9 percent from July to August as the ratio of weeks paid to weeks claimed rose from July's .85 to August's .90. This increase in weeks paid offset a $7.36 drop in the average check amount which generated an increase of $3.3 million in the net benefit amount for August over July. The average check amount of $156.21 for August was the lowest of the year to date. In each of the previous five years, the annual low for the average check amount was recorded in August. During August, income to the Trust Fund exceeded disbursements by $183 million which raised the fund's cash reserves by the end of the month to $1.6 billion. This was the highest end -of- a- month balance on record.

UNEMPLOYMENT COMPENSATION TRUST FUND - AUGUST 1989

Income	$ 258,616,400	Cash Reserves	$ 1,622,999,947
Disbursements	$ 75,598,150	Net Reserves	$ 1,622,999,947

UNEMPLOYMENT ..... A GEOGRAPHIC VIEW

FIFTEEN ADDITIONAL COUNTIES ATTAIN FULL EMPLOYMENT IN AUGUST

Single-digit unadjusted unemployment rates were recorded in all sixty-seven counties during August. Sixty-four counties reduced their rates since July, one retained the same rate, and two counties showed slight increases. Fifteen additional counties attained rates of 5.0 percent or less for an August total of 46 counties with full employment. Almost one-third of these counties were in the Western portion of the State, narrowing the East/West ratio of full employment to two to one.

Of the remaining counties with rates greater than 5.0 percent, 20 noted decreases from month-ago levels and one (Cameron County) reported an increase. The volume of unemployment in this county was only 200 (rounded data) thus, small changes in volume could cause a percent change that would not be as significant as the same percent change in a county with a larger volume of unemployment.

AUGUST RATE OF UNEMPLOYMENT

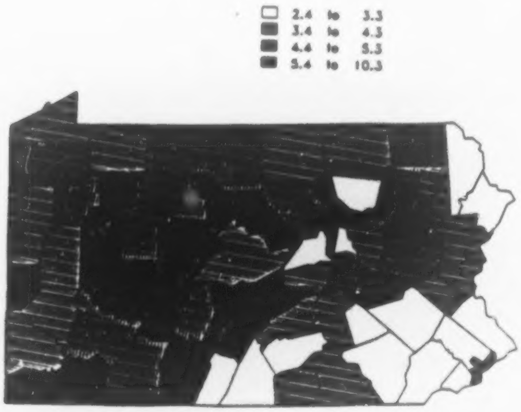


TABLE 5
PENNSYLVANIA COUNTIES RANKED BY RATE OF UNEMPLOYMENT
(Not seasonally adjusted, preliminary)
AUGUST - 1989

COUNTY	RANK	RATE (%)	VOLUME
Sullivan	1	2.4	100
Cumberland	2	2.5	2800
Lancaster	3	2.6	6000
Montgomery	3	2.6	10200
Chester	5	2.8	5400
Fulton	5	2.8	200
Berks	7	2.9	5300
Bucks	7	2.9	8600
Lebanon	7	2.9	1900
Franklin	10	3.0	1800
Montour	10	3.0	300
Wayne	10	3.0	700
Delaware	13	3.2	9900
Pike	14	3.3	500
Union	14	3.3	600
Bradford	16	3.4	1100
Allegheny	17	3.6	23500
Lehigh	17	3.6	5400
Mercer	17	3.6	1900
Monroe	17	3.6	1700
Northampton	17	3.6	4200
Dauphin	22	3.7	5100
Snyder	22	3.7	700
Adams	24	3.9	1500
Butler	24	3.9	2900
Centre	24	3.9	2500
Columbia	24	3.9	1200
Lawrence	24	3.9	1800
Perry	24	3.9	800
Erie	30	4.1	5500
Tioga	30	4.1	800
Washington	30	4.1	3800
Lackawanna	33	4.2	4700
Warren	33	4.2	900
York	33	4.2	7800
Carbon	36	4.5	1100
Elk	36	4.5	800
Wyoming	36	4.5	600
Crawford	39	4.6	1800
Philadelphia	39	4.6	34400
Venango	39	4.6	1200
Lycoming	42	4.7	2900
McKean	43	4.9	1000
Westmoreland	43	4.9	8500
Blair	45	5.0	3100
Northumberland	45	5.0	2500
Jefferson	47	5.2	1100
Luzerne	47	5.2	8600
Potter	47	5.2	400
Schuylkill	47	5.2	3800
Somerset	51	5.3	1700
Fayette	52	5.5	3200
Susquehanna	52	5.5	1000
Juniata	54	5.6	600
Clarion	55	5.7	900
Armstrong	56	6.0	1800
Clinton	57	6.2	900
Mifflin	57	6.2	1300
Bedford	59	6.4	1400
Beaver	60	6.5	3800
Cameron	61	6.8	200
Huntingdon	62	6.9	1300
Cambria	63	7.1	4700
Clearfield	64	7.4	2600
Indiana	65	7.7	2600
Greene	66	7.8	1000
Forest	67	8.1	200

PENNSYLVANIA'S LABOR MARKET AREAS

TABLE 6
TOTAL UNEMPLOYMENT VOLUME AND RATE BY MAJOR LABOR MARKET AREA IN PENNSYLVANIA

(Seasonally adjusted, number in thousands)

AREA	AUGUST 1989 * UNEMPLOYMENT NUMBER AND RATE%		JULY 1989 UNEMPLOYMENT NUMBER AND RATE%		AUGUST 1988 UNEMPLOYMENT NUMBER AND RATE%	
UNITED STATES	6421.0	5.2	6497.0	5.2	6797.0	5.6
PENNSYLVANIA	248.0	4.3	261.0	4.5	265.0	4.6
LABOR MARKET AREA						
ALLENTOWN-BETHLEHEM MSA	14.0	3.7	13.7	4.1	13.5	4.1
ALTOONA MSA	3.6	6.0	3.6	6.0	4.0	6.7
BEAVER COUNTY PMSA	4.2	7.2	4.3	7.3	5.0	8.3
ERIE MSA	6.1	4.6	6.1	4.6	7.1	5.4
HARRISBURG-LEB-CARLISLE MSA	11.8	3.6	12.0	3.7	12.6	3.9
JOHNSTOWN MSA	6.6	6.9	7.7	7.9	7.2	7.5
LANCASTER MSA	7.0	3.1	7.0	3.1	7.2	3.3
PHILADELPHIA PMSA	88.4	3.7	89.3	3.7	91.8	3.8
PITTSBURGH PMSA	40.5	4.2	42.4	4.4	48.9	5.1
READING MSA	6.5	3.7	6.4	3.6	7.0	4.0
SCRANTON--WILKES-BARRE MSA	19.5	5.4	19.6	5.4	19.6	5.4
SHARON MSA	2.1	4.1	2.3	4.4	2.6	5.1
STATE COLLEGE MSA	2.8	4.4	2.8	4.3	2.9	4.6
WILLIAMSPORT MSA	3.6	6.0	3.5	5.8	3.1	5.2
YORK MSA	9.7	4.4	9.1	4.1	8.8	4.0

* Preliminary data.

FULL EMPLOYMENT CONTINUES IN TEN LABOR MARKET AREAS

There was little change in seasonally adjusted unemployment rates for the fifteen major labor market areas in August.

Ten areas held their rates of 5.0 or less from July. This is the rate considered full employment by most economists. The State's rate of 4.3 was centered within the areas, with seven areas having rates lower and eight areas with rates above Pennsylvania's. Twelve areas registered drops in their rates from year-ago levels, one remained the same, and two areas increased their rates.

SERVICE DELIVERY AREAS

In August, the unemployment rates, not seasonally adjusted, for the Service Delivery Areas (SDAs) ranged from 2.6 for SDA 19 (Montgomery County) to 6.5 for SDA 05 (Beaver County). Several SDAs have been redefined with the release of August Data (see table 7 on next page).

TABLE 7
MONTHLY EMPLOYMENT SITUATION
AUGUST 1989 — PRELIMINARY
(DATA NOT SEASONALLY ADJUSTED, VOLUME IN THOUSANDS)

SDA NO.	COUNTIES	LABOR FORCE	EMP.	UNEMP.	RATE(%)
01	Erie	134.5	129.0	5.5	4.1
02	Clarion, Crawford, Forest, Venango, Warren	106.5	101.4	5.1	4.8
03	City of Pittsburgh	176.4	169.4	7.0	4.0
04	Allegheny County minus City of Pittsburgh	482.0	465.5	16.5	3.4
05	Beaver	59.5	55.6	3.8	6.5
06	Armstrong, Butler, Indiana	135.6	128.4	7.2	5.3
07	Fayette, Westmoreland	232.6	220.9	11.7	5.0
08	Greene, Washington	105.6	100.8	4.8	4.5
09	Cameron, Clearfield, Elk, Jefferson, McKean, Potter	105.2	99.1	6.1	5.8
10	Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	206.3	194.0	12.3	6.0
* 11	Centre, Clinton, Columbia, Lycoming, Mifflin, Snyder, Union	230.5	220.4	10.2	4.4
13.	Bradford, Sullivan, Susquehanna, Tioga, Wyoming	85.3	81.8	3.6	4.2
14	Lackawanna	111.7	107.0	4.7	4.2
15	Carbon, Monroe, Pike, Wayne	108.8	104.8	4.0	3.7
16	Luzerne, Schuylkill	237.1	224.7	12.4	5.2
17	Philadelphia	746.4	712.0	34.4	4.6
18	Bucks	299.5	290.9	8.6	2.9
19	Montgomery	394.0	383.7	10.2	2.6
20	Delaware	304.3	294.4	9.9	3.2
21	Chester	195.3	189.9	5.4	2.8
22	Lehigh, Northampton	269.6	260.0	9.6	3.6
23	Berks	179.1	173.8	5.3	2.9
* 24	Cumberland, Dauphin, Juniata, Lebanon, Perry	344.0	332.9	11.1	3.2
25	Lancaster	227.4	221.4	6.0	2.6
26	York	185.1	177.4	7.8	4.2
27	Adams, Franklin	97.9	94.6	3.3	3.4
28	Lawrence, Mercer	100.5	96.7	3.8	3.7
* 29	Montour, Northumberland	58.4	55.6	2.8	4.7
	PENNSYLVANIA - TOTAL	5919.0	5686.0	233.0	3.9

* These SDAs have been redefined starting with August data.

A Service Delivery Area is a geographical planning region defined by the Job Training Partnership Act (JTPA).

TECHNICAL NOTES

Civilian Labor Force Estimates

Civilian Labor Force - Estimated number of persons 16 years of age and over, employed or unemployed during week including 12th of month, distributed by place of residence.

Total Employed - Includes nonagricultural wage and salary workers, the self-employed, unpaid family workers, domestics, agricultural workers, and persons involved in labor disputes. Employment distributed by place of residence.

Total Unemployed - Estimated number of persons, by place of residence, who did not work during reference week and were looking for work, whether or not eligible for unemployment compensation. Includes those who did not work and were waiting to be called back to an old job or to report to a new job.

Nonagricultural Wage and Salary Employment

Collection - Nonagricultural wage and salary employment as well as hours and earnings estimates based on monthly reports from sample of employers. Under cooperative arrangement with U.S. Bureau of Labor Statistics, the Bureau of Research & Statistics of the Pennsylvania Department of Labor & Industry, mails, edits, and processes reports, which are subsequently incorporated in national data.

Industrial Classification - Employer establishments classified by industry on basis of their principal product or service. The Standard Industrial Classification Manual (U.S. Office of Management and Budget, Washington, D.C., 1972, amended 1977) used for classification.

Nonagricultural Employment - A count of jobs by place of work. Includes persons on paid sick leave, paid holiday, or paid vacation. Excluded are persons laid off, on strike, or on unpaid vacation during entire reporting period. Proprietors, the self-employed, unpaid family workers, farm workers, and domestic workers also excluded. Government employment covers only civilian employes. Full-time teachers considered employed during the summer vacation period, whether or not paid in those months.

Benchmark Data - Employment estimates compared annually with complete count of employment, by industry. Where revisions necessary, monthly estimates adjusted to new benchmark. Following revisions to new benchmark, industry data projected forward to current month by use of sample trends. Basic source of benchmark information is tabulations of employment data, by industry and area, compiled from contribution reports of employers covered under Pennsylvania Unemployment Compensation Law.

Hours and Earnings

Method of Computing Averages - Average hours computed by dividing total production worker hours worked during one week (the seven-day period which includes 12th of month) by num-ber of production workers for week. Average hourly earnings computed by dividing total production worker payroll for one week by total production worker hours for week. Average weekly earnings derived by multiplying average hourly earnings by average weekly hours.

Definitions - Definitions of production or similar workers, payroll, and hours - from which average hours and earnings data are derived - follow:

Production Workers - Includes working supervisors and all nonsupervisory workers (including group leaders and trainees) engaged in fabricating, processing, assembling, inspection, receiving, storage, handling, packing, warehousing, shipping, maintenance, repair, janitorial and guard services, product development, auxiliary production for plant's own use (such as power plant), and record keeping and other services closely associated with production operations.

Payroll - Represents payroll for full- and part-time production, construction, or nonsupervisory workers who received pay for any part of pay periods which include 12th of month. Payroll is reported before deductions for Social Security, group insurance, withholding tax, bonds, and union dues; also includes pay for overtime, holidays, vacations, and sick leave paid directly by the firm.

Hours - Represents hours worked or paid, during pay periods which include 12th of month, for production, construction, or nonsupervisory workers. Hours include time paid for holidays and vacations, and for sick leave when pay received directly from firm.

Unemployment Compensation

Initial Claims - Notices of unemployment filed to request a determination of entitlement to compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment within the benefit year.

Weeks Claimed - Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks.

Average Weekly Claims - Total number of weeks claimed in a month divided by the number of weeks in the month.

Insured Unemployment Rate (IUR) - Ratio of the average weekly number of persons claiming unemployment compensation benefits within the given month to average annual covered employment. Calculated by dividing the month's average weekly continued weeks claimed by the latest 12 month average covered employment for which data is available.

First Payment - First benefit check a claimant receives for a week of unemployment in a benefit year.

Weeks Paid - Weeks claimed which were paid to eligible claimants upon certification that unemployment compensation qualifying unemployment was experienced during given weeks.

Net Benefit Amount - Amount of regular unemployment compensation benefits paid to claimants, after adjusting for returned and redeposited benefit checks.

Income - Amount of funds deposited into the Unemployment Compensation Trust Fund for the current month including employer and employe contributions, transfers from other sources such as the Special Administration Fund, redeposited unemployment compensation checks, federal benefit program reimbursements, loans, and interest earnings.

Disbursements - Amount of funds disbursed from the Unemployment Compensation Trust Fund for the current month including the payment of state unemployment compensation benefits, federal program benefits, refunds, and voluntary federal loan repayments.

Balance - Amount of funds available in the State's Unemployment Compensation Trust Fund to pay unemployment compensation benefits.

Federal Loans - Balance of unemployment compensation loans owed by Pennsylvania to the federal government.

Net Reserves - Amount of funds available in the State's Unemployment Compensation Trust Fund available to pay unemployment compensation benefits minus the balance of federal loans.